

Impressions When Torpedoed

By MARION WALWYN
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SATURDAY NIGHT

THE CANADIAN WEEKLY



TEN CENTS
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FACING RENEWED THREATS OF INVASION LAST WEEK, BELEAGUERED ENGLAND POUNDED NAZI INVASION BASES, KEPT HER HOME TROOPS, SUCH AS THESE, ON THE ALERT

THE relations between the United States and Germany today may not be those of war, but they are certainly a long way "short" of peace. There were moments when a Canadian listening to President Roosevelt on Sunday evening had to wonder whether the Republic was not becoming more belligerent than the Dominion. There were moments when a great many Americans must have wondered whether the German and Italian diplomatic and consular officers could remain much longer in a country whose government is so entirely convinced that their nations must not—and cannot—win the war.

The speech was of the profoundest importance in a score of different ways, but we have space here to discuss only its special importance to Canada. That importance lies in the fact that the whole atmosphere of Canada mental, spiritual and economic is heavily dominated and largely determined by that of the United States. For that reason it has always been difficult, and always will be difficult, for Canada to go "all out" in a war about which the United States continues to feel neutral. On Sunday the President of the United States abandoned all pretence to anything more than a purely legal and technical neutrality—a neutrality which he expressly referred to as involving no more in the way of obligations to Germany than the nominal neutrality of Sweden or Rumania, nations completely under the German thumb, involves in the way of obligations to Great Britain. Except that the United States is sending no troops to fight under the American flag against the Germans, the United States is at war with Germany. There is no other difference between the position of Canada and that of the Republic. So far as economic effort and financial support are concerned, the United States will in a few weeks be doing as much or more than Canada—if it is not doing more already.

The President of this Republic which is not at war told the employers and the workers of his country that on account of the war there must be no strikes, and at the same time promised to defend every one in the nation against want and privation. "The strength of this nation shall not be diluted by the failure of the government to protect the economic well-being of all citizens." The Government of Canada, which has been at war for more than a year, has not yet made any such demand nor ventured upon any such assurance. The President of this Republic which is not at war warned capital that the nation's defence efforts "must not be blocked by those who fear

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the future consequences of surplus plant capacity." The Government of this Dominion which is at war has said practically nothing firm and vigorous to its capitalists, except that before the war it gave them the foolish order that they must accept all the risks of war industry and content themselves with five per cent profit, an order which it promptly withdrew as soon as munitions became urgently necessary.

But all of this is new. The United States was not ready for it until a few weeks ago. These things could not have been said with a presidential election still in the offing. Our Government cannot be blamed for not going very far ahead of the United States, for the reason already mentioned. But now that the President has thrown the United States into the very hottest of the economic fighting there is no reason why Canada should hold back any longer from the utmost that we ought to expect ourselves to do and to give. We hope that Mr. King will shortly make a speech which will do for Canada what President Roosevelt has just done, for his own country primarily, but to a large extent for Canada too. The atmosphere of this continent has now been de-

finitely set. It is an atmosphere of all-out hostility to Nazism and all its works. North America is determined that liberty shall not die but live, and live as much in Europe as in America, because if it dies in Europe it will die in America also.

Drums Along the Danube

A MOST wonderful amount of publicity about German troop movements in Eastern Europe reached us last week through the censorship of Hungary, an Axis ally. We learned the exact number of the troops, 300,000, and the exact number of trains they would require, 1160. This army, we were frankly advised, brought with it ample bridge-building equipment, as well as a full quota of tanks, artillery and anti-aircraft equipment. The movement would last until January 31.

The contrast between this garrulity and the utter secrecy which the Germans maintained concerning their moves into Scandinavia and the Low Countries did not fail to arouse suspicion that the whole publicity campaign had, in fact, been manufactured by

Goebbels. To what purpose? It may be, to distract attention from something which is going to happen in Western Europe, or to make the maximum capital out of the move in impressing the Balkan countries, Russia and Turkey, and encouraging the Italian people. As for the troops themselves—and there seems no doubt that many are on the move—they can hardly be intended for immediate military action, in this season and accompanied by all this advertising. The most reasonable explanation is that they have been sent to Rumania to take a firmer grip on that anarchic country, safeguard its vital oil supplies and re-establish the balance of power disturbed by Italy's failure. They could serve to keep Yugoslavia immobilized, anticipate any British attempt to set up a Salonika front, and finally, forestall any Russian move at a time when Germany makes her supreme effort against Britain.

Will Mr. Hepburn Veto It?

THE tactics for dealing with Mr. Hepburn's campaign to block the Sirois Report are, we understand, pretty well developed. They consist simply in the decision that no amendment of the British North America Act shall take place unless there is unanimous concurrence with it by all the provinces. A single dissenting province will suffice to block the whole thing. But by that means the entire responsibility for blocking will be laid upon the dissenting provincial Government, and unless it has an extremely good case and a good case from the point of view of the nation, and not of its own province alone, it will be put in a very nasty position.

Of course, if Mr. Hepburn could secure the concurrence of even one other province, but preferably at least two, in his resistance, the responsibility for holding up the Report would be divided, and he would be able to say that there was a general objection to it in various parts of the country. But the friends of the Dominion Government believe that that situation can be prevented. The Dominion can offer valid considerations to any province to support the Report. Mr. Hepburn can offer nothing. What would British Columbia, for example, get out of lining up with Mr. Hepburn, as compared with what it may get out of lining up with Mr. King? It is true that British Columbia is a rich province, and can be represented, more or less plausibly, as being slightly penalized by the redistribution of fin-

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BARGES AT BELGRADE ON THE RIVER SAVE, JUST ABOVE THE JUNCTION OF THE SAVE AND DANUBE. BELGRADE, THE CAPITAL, IS CHIEFLY SERB.



CATTARO OR KOTOR, SEAPORT TOWN OF MONTENEGRO. ON AN INLET OF THE ADRIATIC, KOTOR HAS ONE OF THE WORLD'S FINEST NATURAL HARBORS.



A QUAIN STREET IN CASTELNUOVO, DALMATIA. CENTRAL TOWER IS TURKISH.

YUGOSLAVIA

As last week drew to a close, German troops were reported massing on the border of Yugoslavia.

Before SATURDAY NIGHT is on the street, these reports may be proven to be true. For if Germany is planning a drive toward Salonica in Greece, the route through southwestern Yugoslavia is the easiest and most direct.

Here on this page are pictures of Yugoslavia, a convenient name for the Serb, Croat and Slovene state of 12,000,000 people which originated at the end of 1918 by union of parts of the former Austro-Hungarian Empire with Serbia and, at a later date, with Montenegro.

The first shots of World War I were fired by Austrian guns bombarding Belgrade on July 29, 1914. The first shots of Hitler's Balkan campaign in World War II might fall on the very same Yugoslav soil.



WOODEN PLOUGH MARKET AT SKEPIJE. THE PLOUGHS SELL FOR ABOUT ONE DOLLAR, ARE SHORT-LIVED. 80% OF YUGOSLAVS ARE FARMERS.



GRANDMOTHER AND GRANDDAUGHTER. THE LATTER WEARS A SPINSTER'S HEADRESS.



DUBROVNIK ON THE ADRIATIC IS BY FAR THE MOST PICTURESQUE CITY ON THE DALMATIAN COAST. STRONG FORTIFICATIONS RISE DIRECTLY FROM THE SEA'S EDGE.

DEAR MR. EDITOR

Savings vs. Easy Credit

Editor SATURDAY NIGHT:

I WAS very much interested in the article "We Need Compulsory Saving" by P. M. Richards. About eight months ago a group of local business men came to consult me about what they should do to prevent excessive time-payment buying. They had in mind that if this form of purchasing got out of hand due to rapidly increasing employment that it would be bad for business in the long run. They were afraid that credit-buying would reach a peak and finally slow down their business by absorbing too much of workers' earnings. This has happened before and can happen again.

It occurs to me that this may be a greater danger to the financing of the country's war-effort and a more serious cause of inflation than any other.

Apparently the government has paid no attention to this but has directed its attention rather to curtailing the purchase of automobiles, radios and washing machines etc. This class of goods is usually sold on a sound financial basis determined by the operations of good finance companies. The "down payment" is usually substantial. The period over which the payments are made is short in relation to the depreciation rate of the goods.

On the other hand articles such as jewellery, furniture, clothing, etc., are often sold on very small down payments and the payment period is stretched out beyond reason. This encourages people with little "money sense" to pledge in advance too large a proportion of earnings.

This tendency is more evident today under the stimulus of war production. Luxury-starved people, who now have steady employment for the first time in years, are crowding the "nothing down and a dollar a week" stores. The temptation is great and the result is inevitable.

I have known people who were depriving themselves of the necessities of life while half of the possible family income was pledged in advance for goods which they could get along without. While this is the extreme, there are thousands of families which will go part way along the same road. They are doing it now.

I doubt that compulsory saving is the whole answer. Unsound buying on credit is the result of improvidence, and is not proportionate to actual income.

When the merchants who depend on this kind of buying, themselves see the danger, it must be real. The individual merchant is helpless. He must meet competition or go out of business. One is shy of government regulation. But could not the government follow its admirable policy

of inviting business to regulate itself or else? I do not see anything impossible about the establishing of minimum "down payments" and maximum payment periods. Economics, and the nature of the merchandise, has already done this for automobiles, but not for furniture, jewellery, clothing and other goods. Montreal, Que.

L. MOLINEUR.

Fine for Motorists

Editor SATURDAY NIGHT:

I WISH to endorse the idea of the fine of \$25 for the motorist whose auto stalls on the car tracks and delays the streetcars. Even though the motorist does pay plenty in taxes, nobody guarantees that the roads shall be made fit for travel.

As an aftermath of the recent snowstorm how many people were late in getting to work because some selfish motorist, knowing road conditions were definitely unfavorable for motor traffic, yet persisted in using his car? One auto stalled on the tracks and the whole transportation system along that line was thrown out of gear.

Hundreds of people were standing at car stops waiting in vain for streetcars. But the drivers of the autos, though stalled, were sitting in comfort, each knowing full well that eventually some-one would give him a push and get him on his way.

I left my car at home and consequently walked miles trying to get to my destination on time, while a stalled motorist would lean out of his window and call to me with "Give me a push, Mac," without even offering to give me a lift.

By all means fine these motorists \$25.

Toronto, Ont. "A SUFFERER."

For Auld Lang Syne

Editor SATURDAY NIGHT:

I HAVE been sending and receiving greeting cards for so many years that when I heard this past season that a number of busy women were cutting down their card list to half, and in some cases eliminating it, I must confess I felt a sort of shocked, let-down feeling. I took time off from the endless doings of home and war work to scan my own sizable and lovable card list. I felt that each name stared at me as from an honor roll—trusted friends and acquaintances who had become through the greeting card medium very tangible at Christmas and New Year. I sought for confirmation of the rumor.

"Yes," said one of my friends above her knitting needles, "I am certainly cutting down my greeting cards. The gravity of the war has made so many

calls on one's pocket-book, one is really obliged to draw the line somewhere. I know a dozen women who are doing the same thing."

"Pretty hard on the old friends who have received your cards for umpteen years," I ventured.

She shrugged. "I hope they will have the good sense to realize that war work demands time and money."

"Personally," I said, "I hope to keep the postman busy until the end of the chapter. And now that the government is carrying our cards all over Canada for one copper cent, the more we send, the sooner its war coffers are filled."

The card topic was still under discussion when I received a letter from old friends in London. They said quite casually that they had been scouting between black-outs and bombs for Christmas cards and gifts. "If you don't get a card and gift from us at Christmas," they wrote, "it will be because Jerry has capsized the mailboat."

And now at the beginning of a new year, as I look over the cards that contributed to my pleasure during the great holidays, I am glad that I did not break the long established tradition of card-giving, an innovation that has held its place among old-fashioned folk since as early as 1875 when Louis Prang gave to America its first Christmas card.

Regina, Sask. JEAN M. DOUGLAS.

SATURDAY NIGHT

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Continued from Page One)

cial powers; but its riches are highly concentrated in the hands of a small percentage of the population, and it is very doubtful if the mass of the voters would get excited over such a campaign. The other provinces are much more easily represented as beneficiaries than as losers; even in Nova Scotia, Senator Dennis's campaign against implementation is being based more on alleged impairment of provincial independence than on any financial results.

But in Ontario things are different. Ontario is the big rich province, and Quebec is to get eight million dollars of irrevocable adjustment grant out of Dominion funds largely provided by Ontario; and Ontario is English and Scotch and Quebec is French, and that is that. There is only one obstacle. Is Ontario to place itself on record as smashing, for purely selfish financial reasons, the one serious attempt since 1867 to effect a redistribution of powers, responsibilities and revenues, so as

C.C.F. Demands Probe of C.B.C.

How doth the little C.B.C.
Improve each shining hour?
Come, let us probe once more and see
How it doth wield its power?

How doth Buchanan? What doth Plaunt?
And why have both resigned?
Why does the press so love to taunt?
Let's see what we can find.

For freedom's sake we are disturbed.
We smell the Gestapo.
For politicians have been curbed
But not Transradio.

How doth the little C.B.C.?
Some people find it odd
It hasn't proved itself to be
Infallible as God.

Ottawa, Ont.

F. E. FYFE

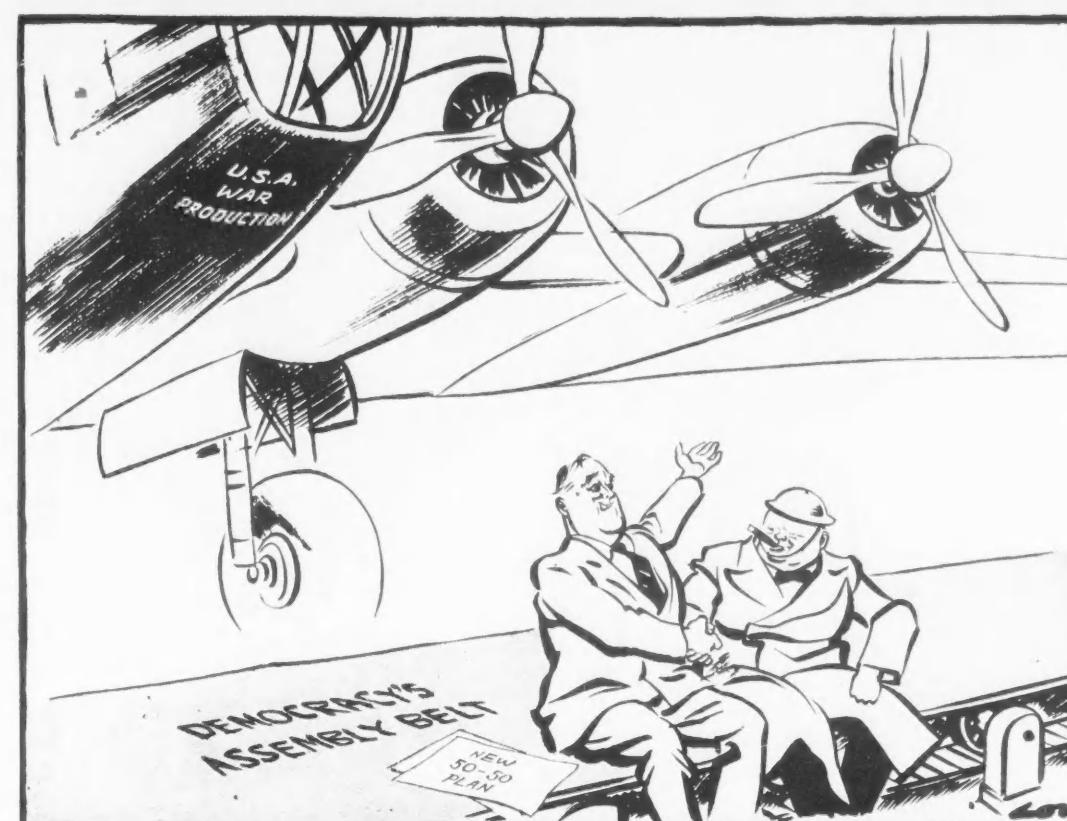
to make Canada the nation which the 1867 Fathers intended it to be, and the provinces the somewhat glorified municipalities which they also intended? Is there a leader of the people, on the Sirois side, with enough prestige and magnetism to rally the voters to that side in such numbers as to make it unwise for Mr. Hepburn to pull an election on the Sirois issue? (There is the *Globe and Mail*, but it has had a rather fantastic career in recent years, and anyhow Mr. McCullagh is very busy with his flying.)

If Westminster passed an Act amending the British North America Act, to go into effect only upon the receipt of resolutions approving it from all of the nine provinces, and eight provinces gave it immediate approval, would Mr. Hepburn go to the country with a demand that he be returned to withhold the approval of Ontario? Or would he?

A Lesson From the U.S.

CANADIANS might read with profit an article in a recent *New Yorker*, the second of two devoted to the life of Felix Frankfurter, the great American jurist. They will be interested to note among other things that one of Frankfurter's few intimate friends in his early days in Washington, in the Theodore Roosevelt regime, was Loring C. Christie, though the writer of the article seems to have overlooked the fact that Mr. Christie has since been appointed Canadian Minister in Washington. But the paragraphs which we found most interesting are those devoted to the famous case of Sacco and Vanzetti.

The murder for which these radical labor organizers were ultimately executed took place in 1920. They were found guilty in July, 1921. The peculiar nature of American judicial procedure made it possible to keep their case and them alive until October, 1926, when at another hearing before the original trial judge the defendants were denied a second trial. "The opinion, and the record of the trial itself, convinced Frankfurter that this was one of the most glaring cases of a prejudiced trial in American history." From that time until the execution in August, 1927, Frankfurter was the chief leader in the movement to save their



"AND JUST SEND THEM BACK WHEN YOU'RE THROUGH WITH THEM."

lives. His association with it is supposed to have cost Harvard University, with which he was then associated, a million dollars' worth of endowments; what it cost Frankfurter in the way of social repute and popularity cannot possibly be computed. Such, however, were his courage and the purity of his character that less than twelve years later he was appointed to the Supreme Court of the United States, and the Senate, after the almost unprecedented procedure of holding open hearings of its Judiciary Committee upon his fitness for the office, confirmed his appointment promptly and unanimously. He is today by general consent one of the most powerful and most trusted members of that court, and will probably go down in history as one of the ablest jurists whom the United States has produced. "He has seldom spoken of Sacco and Vanzetti since; whenever he does, he says they were murdered."

The moral which we should like Canadians to draw from this little piece of recent American history is the extreme danger of assuming that men who defend unpopular persons are necessarily traitors to the State. They are not infrequently its greatest friends, a fact which is sometimes recognized during their lifetime and sometimes not until after their death. Canada has had no cases quite so tragic as that of Sacco and Vanzetti—tragic in its social consequences whether we admit that they were innocent or not. But Canada has had, and has, plenty of cases of unpopular persons being prosecuted on less serious charges; and plenty of cases of those who defend them being regarded at the time as enemies of the State. Canada, too, may have its reversals of opinion, perhaps as striking as in the case of Supreme Court Justice Frankfurter.

Auditor General's Report

THE Auditor General's Report for the year ended March 31, 1940, the first to bear the signature of Mr. Watson Sellar, who succeeded Mr. Gonthier in March last, has at length come to hand. It contains a number of matters which should have the attention of the electors of Canada, and concerning which we think they will be inclined to support Mr. Sellar's opinions. For example, there is the matter of the Prairie Farm Assistance Act, under which nearly seven and a half million dollars was paid out during the fiscal year. Mr. Sellar observes that "The audit made results in the opinion being formed that efficient administration in the public interest involves each farmer, who seeks assistance, being required to make an application and to provide such information as is necessary to permit the merits of the

application being reviewed and made the subject of a decision." It will probably be a matter of profound astonishment to most Canadians to learn that this has not been the practice. An Order-in-Council of October, 1939, provided that the benefits of the Act should not extend to farms "on which the yield is in excess of twelve bushels of wheat per acre." But in actual administration, upon a township being declared eligible for award purposes, all the farmers in it were deemed to qualify for an award on the basis of the township average, regardless of the crop raised by the individual. This practice, while doubtless a labor-saving device, seems to be a flat and flagrant violation of the terms of the Order-in-Council. Apart from the farm yield, there are also requirements limiting the classes of persons who may receive an award, and Mr. Sellar finds that these requirements were not uniformly observed in a large number of cases.

The new Auditor General renews an attack which has been made by various predecessors upon the accounting practices employed in connection with the Post Office. There is no suggestion that these are illegal, but there is plenty of suggestion that they are unbusiness-like and unwise. The Post Office happens to be the oldest of the publicly owned utilities, and its traditions date back to a time when the idea of a self-contained business enterprise being operated by a government was novel and peculiar. As a result of the existing system, the public has not the slightest idea whether the users of the Post Office pay for the service that they are receiving, or whether they are largely receiving it as a free gift from the people of Canada. Mr. Sellar recommends the adoption of the 1933 method of Great Britain, failing which he would like to see the Post Office submitting its accounts in a manner similar to that of the National Harbors Board of Canada.

Mr. Sellar is also mildly amused to find among the "assets" of the Department of Trade and Commerce an item of "accounts receivable" of \$37,432.79 "for cullers" fees assessed between 1855 and 1893." It appears fairly certain that death must have culled most of these cullers long before this, and that the prospect of the Department ever receiving these receivables is practically nil. The last time the Dominion's departmental accounts receivable were reviewed by the Public Accounts Committee of the House of Commons was in 1909. Every department is responsible for its own collecting methods, and Mr. Sellar makes the reasonable suggestion that some authority should be clothed with the power to direct the collecting practices of departments and to authorize abandonment or compromise of claims when necessary.

"Never in the history of human conflict was so much owed by so many to so few." —Winston Churchill, of Britain's air defenders.

You too can help by buying War Savings Certificates regularly.

THE PASSING SHOW

NOW is at hand the season when statisticians gleefully but in dubious English report that so-and-so shows a decrease of 25 per cent over the previous year.

The British successes in Africa have probably brought to light some of the secret weapons of the Italians. At any rate the British now have tanks which run as fast backwards as forwards.

PARADOX

Though bombs are fearsome things, God wot, Thanks to the Wrights and Monsieur Bleriot, Hyde Park is still a safer spot For left-wing speakers than Ontario.

E. G. NEIGH

Our Berlin correspondent cables that Hitler sent out strict instructions to all his "allies" not to make any New Year revolutions.

BELLIGERENT BALLAD

Though Huns are brave their food to save,
To starve their kids preferring,
They never skimp to build a Blimp
For instance, Gasbag Goering.

R. L. E.

Signor Marinetti, Mussolini's "poet laureate," has not yet explained whether his aero-poems are intended to be read or sat on.

The new French Foreign Minister is continuing Vichy's negotiations with Germany. He seems to feel that France is entitled to her place in the sunset.

Stalin is reported to be interested in modern literature. Some critics even go so far as to suggest that he got the idea for his foreign policy from a poem by Gertrude Stein.

The censors are getting careless. They haven't yet sent out orders that the new British Ambassador at Washington is to be referred to as Lord Eastern Canadian Port.

IZZUMS A WAZZUMS, THEN?

OR A SINGULAR PROPERTY OF BABIES

A funny thing about babies
Is the way they give some people rabies:
For although the persons so afflicted do not
so much foam at the mouth as drool,
In every other respect they behave exactly as
though they had rabies and make everyone else, including the baby's parents,
feel collectively and individually like a fool.

The Italian troops in Libya badly need bucking up. Their new marching song is said to be "Carry Me Back to Old Virginio."

THE RULE OF REASON

(Home Thought from Abroad)

Peace will rule, we say,
When reason rules our day.
But what chance has reason
When to reason is treason?

FREDERICK VAN BOEHMER

Mr. Churchill says the British army will not be fully prepared until June. They're warming up now, but that's when they will reach the Berlin point.

A Balkan dog never bites.

Old Superseded Italian Proverb.

President Roosevelt seems determined to show Congress (and Canada) that where there's a will there's a waterway.

George M. Smith, Box 358, Port Credit, Ont., is the first person to send us a twenty-five-cent War Savings stamp as a contribution towards the defence of this column, which Herr Hitler proposes to stop if he wins the war. If seventy-nine other persons will do the same we shall have \$20 worth, which we will invest in a War Savings Certificate in the name of our pet charity, the Queen Mary Hospital for Consumptive Children at Weston. But you don't have to send the stamps to us; this column will be saved if you buy enough and keep them yourselves.

I was on a Ship Torpedoed by a German U-Boat!

BY MARION WALWYN

THE day had been a quiet one. The children—320 of them—had settled down after the excitement of the first two days. Some of them preferred the deck games; others were contented to watch or count the ships of the convoy. Seldom did they get the same answer, so that there was continual controversy on this score. Autographs were very much in vogue and the younger children stopped every adult for another signature to add to their valued collection. The very small children played at table games in the lounge. The departure from their homes, as well as the thrill of facing a new life hundreds of miles across the Atlantic, were both temporarily forgotten.

In all the afternoon the only thing which took me from my deck chair was something small and forlorn floating down one of the lanes of our convoy. It proved to be only a lifeboat—the remnant of some recent disaster, but it held our eyes with eerie fascination until it was lost to sight in the wake of our ships.

Soon it was time for dinner. From the first, the meals had been great events, and most of the children were already discovering many new dishes. One boy had never tasted tomato soup and was suspicious of its color. We finally induced him to try it. "Not bad," he commented as he scraped the plate.

After dinner it was the custom to walk around the deck in the evening air before turning in for the night. The accommodation was luxurious. Most of the children were quartered in staterooms with private baths and in each room was a supply of games, books and sweets. "Candies" I told them they were called by Canadian children—and how interested they were in this promised land! Almost all of them were going to relatives.

The previous night Paul (the steward) and myself in our inspection of the rooms had found the children's clothes strewn all over the place and I had shuddered at the thought of trying to dress them in a hurry. We had made a very strict rule about this and so tonight we were pleased to find neat little piles of clothes on each chair. Hours later, I was to be more than thankful for this new state of tidiness.

After the inspection the escorts had their dinner and following that, we held our nightly meeting at which we planned the programme for subsequent days. Among other things we arranged for a dance on the next evening and after some further discussion we each went our various ways. I went in to see that my boys were asleep and properly covered. Glancing at my watch I saw that it was approaching 11 o'clock and so decided to return to my own room and prepare for bed. As I was about to step into the tub, the blow came.

There was no mistaking what had happened: there was a tremendous crash, the ship shivered and shook, then settled to a slight list. I stood rooted to the spot. "Torpedoed!" It could not be possible. This could not actually happen; it could be read about and thought about but it could not really take place. The shivering of the ship seemed to send a cor-

Miss Marion Walwyn, who is the author of this article describing the sinking of the "Volendam" and the rescue of the children and other passengers, is a well-known Toronto woman who has been active in war work in England for over a year.

Finding her travel and tourist business disrupted by the outbreak of war, Miss Walwyn—who was at that time in Belgium—returned to London and accepted a post with the Beaver Club. (She had been social hostess at the old Beaver Hut in London during the last war.) She later volunteered to escort refugee children either to Canada or to Australia. She accepted the post as second-in-charge of children coming to Canada on the "Volendam."

Torpedoed when several hundred miles out at sea, the entire passenger list, including every child, was safely rescued, and taken back to Glasgow—a remarkable achievement reflecting great credit on those in charge of the party, as well as on all those associated with the work of transporting the children from the British Isles to havens of safety overseas.

responding shiver through me from head to foot. In the space of a split second or two many thoughts ran through my mind; fleeting thoughts for those loved ones on the other side and for those left behind to whom the children on board meant so much. Then I snapped into action.

The alarm rang throughout the ship six deep distress blasts blared out on the night air. It was like a beast that had received its death blow. A silent moment of surprise, then the convulsive trembling of the broken body and the piercing cry of rage. I threw on some outer garments—suit skirt (partially fastened as I found afterwards), a suit coat, wind coat; thrust my feet into sports shoes and rushed to the boys' rooms.

Not a Word Spoken

Two or three had been awakened with the crash, and the steward had already reached some of the cabins. Not a word was spoken. It was like a pantomime of small, indistinct forms dressing themselves and adjusting lifebelts. One boy was so sound asleep that it was almost impossible to awaken him. I pulled him to his feet but his head lopped to one side. I used to think it strange that people claimed to remember little trifling things at such critical moments but everything seems to photograph itself on the mind at such a time. At this very moment a scene of my own childhood came back to me—a fire in our house years ago. I had then awakened my eldest brother but my next brother would not pay any attention, and simply rolled over and snuggled back to sleep. Finally I had to lift him up and drag him downstairs. Standing on the rug in the hall, his head had lopped over on one side in the same way as this sleepy lad in the stateroom.

After making certain that every boy of my group was on his feet and dressing, I went back to the youngest—a small, ill-nourished, lad of seven. We had tried our best to get him to eat more but he did not seem interested in his food and apparently at home had been allowed to refuse it. I now stayed with him and helped him get his clothes and shoes on.

"It is breakfast time?" he asked. "No," I said quietly, "our ship has been hit with a torpedo and we must hurry." Later, he said to me several times, "You said it just as if it were for breakfast." "But I did not want to frighten you too much, Kenneth." He would always reply, "And I was not frightened."

"I heard it," said one of the bigger boys as he pulled on his lifebelt, virtually the first remark that had been made among them. It was curious how little they said. But I realized these children were accustomed to danger. All of them had spent hours in air-raid shelters, with the noise of battle above and about them. This experience was new but no longer strange.

Lowering the Lifeboat

When we reached the assembly room, which was the tourist lounge, to my dismay I could not find three of my boys. I called out their names and my little lieutenant (appointed for the day) sprang up and pointed them out. They were across the room playing at a game on one of the tables.

The steward led the way to the boat station, my faithful lieutenant and myself bringing up the rear. I was glad to see that most of the boys were fully dressed and that all were equipped with lifebelts. The steward had carried one little chap up in his blanket, as he had only managed in his excitement to get on his shirt and coat. We stood back until the girls and women got into the lifeboats, then the boys followed. From time to time the crew called out "women and children first" "women and children first" but there was no panic, no screaming, no crying.

The lowering of the lifeboat was terrifying. As I took my seat I looked along and saw others being let down. One lifeboat as it touched the water began to bob about like a cork on the black sea. Another was dizzily swaying at a dangerous angle with one end much lower than the other. Then, suddenly, our own boat, which was jerking gradually downwards gave a lurch and dipped precariously towards the ship, almost capsizing. I clutched my little Kenneth tightly but thought how hopeless our chances would be in that dark sea below us.

Our crew who were put in charge and who apparently had been lowering our boat had not descended. They called down to us to hold on for a moment but the men who were taking the oars fearing another crash pulled away. It was at this time that our only casualty occurred. The Purser fell from the ship into the sea. He was able to catch the rope that was thrown to him and was ascending the rope ladder when he lost his grip. Some said that his hands were oily and that he could not retain his hold. At any rate, he fell back into the sea and we learned afterwards that he was lost.

Down into a great trough of water we plunged, only to be lifted at the next moment, at a terrifying angle, on the sloping crest of another wave. We were certain that we would be capsized, but, before the anticipation of such a fate could fix itself on our

minds, the awful orgy of seasickness broke upon us. It was so sudden, so complete, that no one had time to make preparations. No words can describe the nausea that engulfed the children, adults and seasoned stewards alike. This, I think, was the worst feature of the entire episode.

Woman's Voice Wins

Tossing aimlessly about in what seemed to be a tiny lifeboat, we could still see in the distance our proud ship ablaze with lights. With no one in charge of our own little craft we found ourselves now in the trough, now about to be swamped by towering waves which broke over us. The man near me said that if he could only get attention he could soon get us righted, since he had been a sea captain for thirty years; but his shouts were lost amidst all the other noise. I was so ill myself that I really cared little whether or not the boat was righted, but I felt these children had a right to live if there was any chance at all. I forced myself up on some of the framework and holding on to a man's shoulder, shouted "Silence!" A woman's voice, coming out of the rabble, hushed them. I told them that as Deputy-Chief Escort I was in charge of these children and was putting one man in command, explaining that he had been for thirty years a sea captain.

This semi-command was greeted with approval and the men settled down to follow instructions. Then followed a contrasting silence, with only the sound of the water or the squeak of an oar, or the crying of a little two-year-old Dutch child to disturb it. Suddenly there was a shout of "She's gone" and a pang shot through us as we thought of our fine ship plunging to the bottom and of those few possessions, dear to the heart of each passenger, still on board. We, of course, learned afterwards that the ship did not sink but that the lights had simply been switched off to avoid further attack. She was in fact towed stern first, into port and most of the luggage salvaged.

The children were simply amazing through all this. They screamed when the boat almost capsized, or when it shipped water, but they did not cry or whimper. Many of them joined in a weak attempt to sing "Pack all your Troubles." We knew that a convoy must carry on, but we knew, too, that there would be some provision for picking us up in due course. Meanwhile, we felt very small and insignificant. The sea was so vast, so black, and so turbulent. In a little time a big ship loomed out of the blackness but it passed by without making a sign of rescue. We lost all idea of time. What seemed like hours could only have been a little more than one hour, when we heard the men say "Look! Searchlights; they see us!"

Saved by a Tanker

Our rescue ship was an oil tanker, a small one, and its deck was close to the sea, so we had not far to go. Strong arms handed up the children and strong, eager, arms from above reached down to take them. It was a dangerous, ticklish business in that sea, but every child and every adult was safely transferred and we all gathered under the shelter of the tanker's small deckhouse.

The little tanker was already crowded. Two lifeboat loads had been taken on before us and two more were to follow. With accommodation for only twenty, the rescue craft picked up 160 survivors. The sudden feeling of safety, and at last the sharing of responsibility, brought on another attack of nausea. I will not attempt to describe the crowded bunk into which I literally fell and lay with the other inert mass of humanity. Sometime after midnight the engines of the tanker started.

As soon as I could maintain any sort of equilibrium I made a survey of the ship, counting the number of children and escorts. I think I never saw so many people packed in so small a space. The women and children were in the cabins, lying in



Marion Walwyn

every imaginable position—stretched out in every available inch of chair, bench, or floor space. In the corridors and on the narrow stairs were the men. It was almost impossible to walk about without stepping on a face, an arm, or a foot.

During the course of this survey I dashed up the stairs and had a hurried word with the Captain. We were going full speed to Scotland he said. When did we have a hope of getting there? The reply was, that with luck we might make it the next night. Even then he was optimistic. Another night still was needed to bring us back to land. I saw a little fellow staring at the ceiling for a long time, so I asked him if he was all right. He nodded his head wearily and then said, "My Mother would be crying if she knew about this."

Children Recover Quickly

The night seemed interminable—a night more of recurring seasickness, attempts to down a few spoonfuls of hot soup, and the occasional crying of a child. Morning was a welcome relief but we found it impossible to move around, as everyone was immediately attacked by nausea if they attempted to do so. The small tanker, without ballast, rolled miserably in the storm; no one could even think of accepting the food which was kindly offered by the Chinese cook.

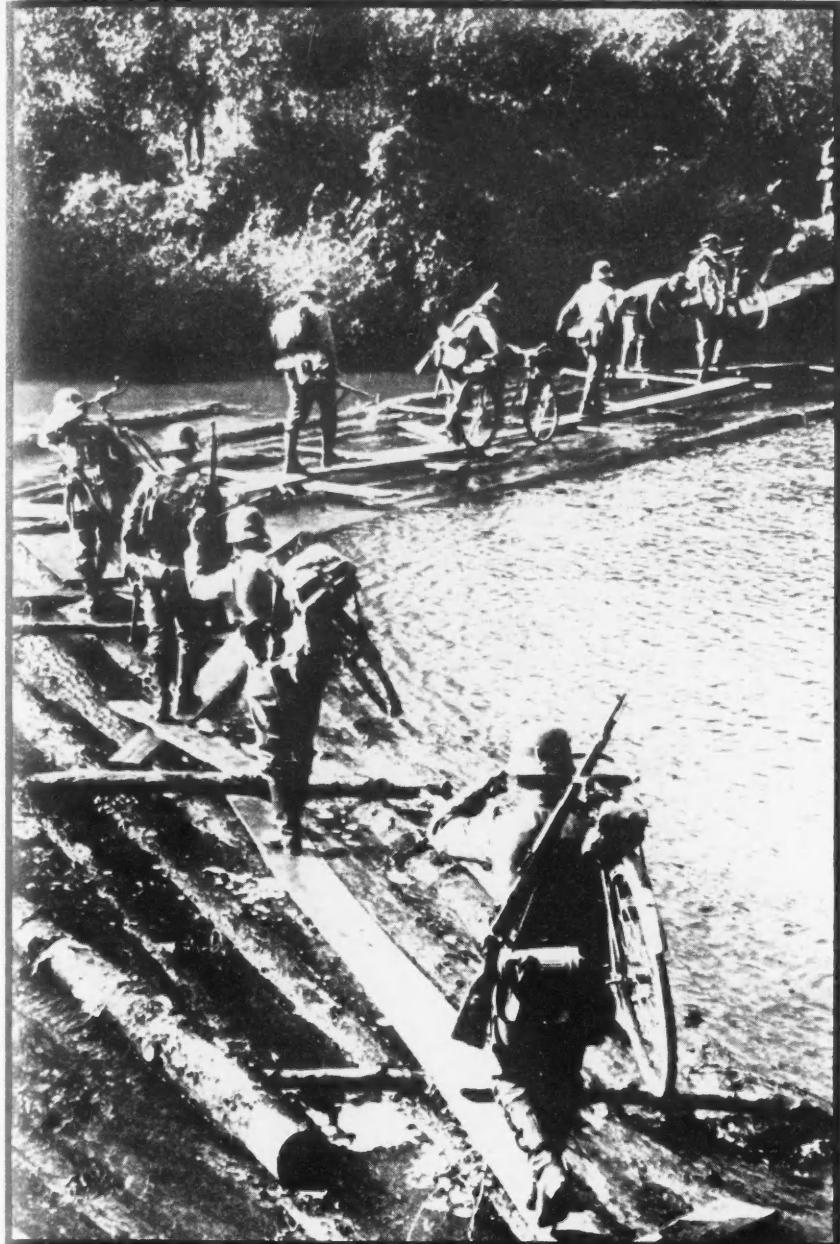
What a wonderful sight the Clyde was that peaceful Sunday morning. I have seen it under many circumstances: beautiful in evening lights, or with the showers sweeping along its pearly waters and scudding up over the soft green slopes of its banks. This September morning, however, was the most beautiful breaking of a day I thought I had ever seen.

How quickly our minds threw off the memory of the experiences we had been through. Conversation and moving about on the ship had gradually been resumed and by the time we had reached land we had begun to take an interest in living again. We were indeed a weird company, with our blankets and scraps of clothing, as we were taken to shore by the small official craft which came out to meet us. At the dockside we were given nourishment, and immediately thereafter driven to a hotel where beds and clothing were provided and, best of all, a good hot bath. The hotel people had been up all night with other survivors who had come in before us and, when we were leaving hours later, were still rushing about with more clothes and bedding for new survivors. By the time we entrained for Glasgow, the children were enjoying the experience to the full just as if they were on a picnic; and, when we reached Glasgow, a credit was established for us by kind authorities at one of the big shops. Needless to say we enjoyed a most necessary and much appreciated shopping tour. Life seemed normal once again. Torpedoed? Why, yes, but that was long ago!



The "Basset Hound" with some of the rescued in the foreground. "With accommodation for twenty, the rescue craft picked up 160 survivors."

A Complete Nazi Army Moves Into the Balkans



German infantry crosses a floating bridge "somewhere in Poland"



Infantry and tanks "go over the top" in Poland

THE armies of the Third Reich were on the move last week. Monarchs of all they surveyed on the western European continent, they were moving into the Balkans, across cowed Hungary into Rumania, where they massed on the Yugoslav frontier.

The move into the Balkans might mean one of four things: complete military occupation of Rumania; a drive into Greece and Albania to help Mussolini's reversible invasion; a division of Rumania between Germany and Russia, much after the style of the carving up of Poland; a campaign against Turkey.

Most likely guess was that Germany would move into Greece to put starch into wilting Italian backbones. For with Italy being pushed around in Libya, Hitler couldn't afford to let the Greek expedition flop; it means too much to Axis prestige.

Greece is a logical jumping off place for a pincer move against Turkey and with the Germans in Greece, Bulgaria's position is untenable. And at the right time, portions of Rumania could be proffered Russia as a sop for German grabs.

So last week from Budapest came the news that forty German divisions — 600,000 men — complete with artillery, bridge-building equipment, tanks and motor transports were moving across Hungary.



A German anti-aircraft battery goes into action



No supermen, Germans are good soldiers because of training. Here they are on manoeuvres



A decontamination squad clears the debris of a plane which crashed in a Berlin street



When German troops entered Prague, World War II was inevitable. Note the sparse crowds



A heavy tank crosses an improvised bridge in the battering smash through Poland

IT IS very generally assumed in the writings and spoken utterances which reach us from Great Britain in these critical days that both the political and social structure of that country will be considerably changed after the war — that considerable changes have already taken place, and that these changes, far from being reversed in the process of reaction which sometimes follows a war, are likely to be carried still further when the nation has time to attend more to its own affairs and less to those of Germany and Italy. I think we shall have to assume that this estimate of the present and this prophecy concerning the future are probably correct.

I have not as yet seen any suggestion anywhere, except possibly in the

FROM WEEK TO WEEK

Where Will Canada Stand?

BY B. K. SANDWELL

utterances and writings of members of the C.C.F., that any corresponding change is taking place or is likely to take place in Canada. And I am therefore forced to wonder what sort of a figure Canada will cut in the British Commonwealth of Nations, if a year or so after the end of the war she finds herself either alone, or accompanied only by South Africa, in

the role of a maintainer of things as they were during the greater part of the decade of 1930-40.

CANADA is, of course, in a unique position in the Commonwealth, just as South Africa is in a different but equally unique position. In Canada the uniqueness arises from the fact that the character of our political and social structure is to a large extent influenced by that of the United States. In South Africa the uniqueness arises from the presence of an overwhelmingly large native colored population, probably unfitted for the exercise of any large amount of political power, and therefore pretty certainly doomed to exploitation at the hands of those who are fitted for political power, unless the latter happened to be animated by a rather exceptional sense of trusteeship and a long-range view of the ultimate capabilities of the colored population.

It is entirely possible that these unique peculiarities will suffice to keep Canada and South Africa, or only one or only the other, upon an entirely different road of economic and social policy from that followed by Great Britain, by Australia, and by New Zealand. These three countries will severally work out a social and economic policy suited to a homogeneous population subject to very little interference from outside influences. That policy will almost certainly have very little room for some of the more extreme elements of privilege which have attached themselves to the system of private property in the means of production, as it has developed during the nineteenth century and the first part of the twentieth.

AT THE present moment the influence of the United States upon Canada, such as it is, is certainly not in all respects hostile to the diminution of privilege. The New Deal is frankly and definitely aimed at a more equal distribution of certain kinds of privilege among the citizens. But the New Deal is entering upon its ninth year, and would almost certainly never have had a chance to enter upon a ninth year if it had not been for the extremely disturbed state of the world outside of the United States. The new World War does not impose, and probably will not impose, upon any part of the people of the United States that condition of common personal danger which is one of the factors operating most effectively for the diminution of privilege in Great Britain.

I see very little reason to suppose that the war, as it comes nearer to the American people, will have any effects tending towards a diminution of the privileges of the wealthy classes. Wars in which the United States has engaged have in nearly all past instances operated in the other direction. If, as after the last war, unwise trade policies should lead to a violent depression in the United States, that will be another matter; but any diminution of privilege resulting from that condition will be brought about not by the war but by the subsequent depression. In the meanwhile, with depression a very remote future contingency, the United States is likely to experience some degree of reaction from the New Deal even under the leadership of Mr. Roosevelt, owing to the necessity in which he will find himself of cultivating the good graces of the industrial and financial classes; and from present indications he is likely to be succeeded four years from now either by Mr. Willkie, who will get after the New Deal with whips, or by somebody else who will chastise it with scorpions.

THE newspapers and shortwave radio are full, in these days, of items calculated to show that there is a very much freer current of so

cial contact in England today between the members of the possessing classes and the members of the non-possessing classes than there has ever been before. There has been a distinct drift towards that freer contact ever since the last war, but it appears to have been stimulated in a marked degree since the fall of France. I have been unable to detect the slightest sign of any corresponding movement in Canada. It may be that I am at a disadvantage through the fact that I spend most of my time in Toronto, and can only make brief and infrequent visits to parts of the country where change is not resisted with quite the same tenacity. But I doubt if the change is very great in any part of the Dominion.

DURING the past year I have found myself spending more time than ever before in the company of men of some prominence in the Labor movement in Canada. The reason for this is unimportant; it is merely that we have a common interest in the maintenance of certain of the rights and privileges of the individual citizen, which have to be curtailed to some extent in war time, but which are likely to be curtailed considerably more than the necessities of the case really call for. I have found most of them extremely interesting companions, which is no more than I had expected and no more than anybody should reasonably expect, seeing that in a country like Canada men do not climb to the top of any kind of tree without the possession of a fair amount of special ability. The chief drawback about them at the moment is that they spend too much time abusing the C.I.O. if they happen to be A.F. of L., and abusing the A.F. of L. if they happen to be C.I.O. That, however, is a characteristic from which I do not find even the wealthiest classes exempt, although they display it in connection with different kinds of dividing lines. Most of them are quite well educated, often with that more solid and realistic grasp of a subject which comes from having taught oneself about it rather than being steered through it by a professional educator. Sometimes their knowledge exhibits those odd lacunae which are so apt to occur when the knowledge is not the result of a formal and systematic education in exactly the same subjects as all the rest of the formally and systematically educated citizens of the country have been educated in. But that is a characteristic which one may find in plenty of successful business men who achieved their success as the result of starting at the bottom at the age of fifteen.

But these men, who are perfectly competent to be useful and valuable members of any social group in the country, do not seem to me to have any more opportunity of mixing freely with the members of the possessing classes than they had ten or twenty or thirty years ago if anything less, because thirty years ago the churches did constitute an effective means of bringing people of different classes together, whereas now they are so highly specialized into the churches of the rich and the churches of the non-rich, and each kind of parishioner would be so uncomfortable in the other kind of parish, that they perform very little indeed of that function.

MOST of the clubs in various cities of Canada to which I belong or at which I am an occasional visitor are now faced, or will be before the end of this year, with a very acute financial problem arising out of the absence of many of their members in consequence of the war, and the difficulty of extending their membership among the classes of people hitherto regarded as suitable, owing to the tremendous inroads of war taxation upon personal incomes. Almost any of these clubs would be



Louis Breithaupt, Liberal, recently elected to the Federal House in the by-election at Waterloo North, Ont.

—Ashley & Crippen.

greatly improved by an infusion of able labor men; and I think the finances of the more successful unions would easily run to the payment of their fees. (We all eat much the same kind of food for lunch nowadays and all pay much the same kind of price for it.) But I have not yet heard of any club suggesting to its members that the nomination of a few good labor men would be well received. It is not a matter of grammar, or of antecedents, or of race, or of political leanings. The man whose pick has uncovered a cluster of gold nuggets, or the man who has sold to the public a sufficient number of shares in the ownership of a piece of ground on which nuggets are to be expected (even if they never came to light), has no difficulty in getting into a club no matter what his grammar, his antecedents, or his political leanings. A labor leader who decides that labor no longer needs him and accepts an executive position at the hands of his employers has no difficulty. It may be true that the opposition to labor men in clubs is not entirely due to the labor men. They may feel that some of their followers would think that they were going over to the enemy. If that is the case, what we need in each of the larger Canadian cities is a new club for the express purpose of enabling labor men of capacity and responsibility to meet with non-labor men under conditions which would make it perfectly clear that they are going to remain just as good labor men as they ever were.

THIS kind of thing ought to be easier in Canada, with its universal common school system and its lack of any class dialect of the English language, than it is in Great Britain. But as a matter of fact we are a long way behind Great Britain in this respect, and we are going to be miles behind if we do not bestir ourselves and try to catch up a little. And representatives of labor are going to be of very much greater importance in Canada in future years than they have ever been before.

It is most desirable, in the interests of the national unity and of national progress, that they should be men of breadth and vision, capable of seeing the nation's problems from more than the narrow angle of their own particular section of a particular trade. It will be a national disaster if they are never to be allowed to associate freely and easily with anybody except the returned Rhodes Scholars, the editorial staff of the Canadian Forum, and an occasional visiting British labor statesman. They have already had the privilege of meeting Prime Minister Ramsay MacDonald and Sir Stafford Cripps, now His Majesty's Ambassador to Moscow. They will soon no doubt have a chance of meeting Mr. Bevin or Mr. Morrison, if overwork does not kill those gentlemen before they can take time off to inspect the Empire. But they don't meet us.

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FOR the past three years Farmer's Magazine has sponsored and successfully carried out "Farm and Home Improvement Contests".

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Let's Reduce Consumption by "Honor" Rationing

BY C. C. ROBINSON

Mr. Ilsley tells us we should reduce our consumption in wartime, but he doesn't tell us where to reduce, and about the only reducing being done is that individually occasioned by pressure of higher taxes.

When all our productive resources are fully employed, we must cut civilian consumption if we are going to increase war production thereafter.

Reduction of civilian consumption must be so arranged that it affects everyone equally. Mr. Robinson suggests rationing of supplies, not compulsory rationing because of its unwieldy administrative machinery, but honor rationing. He believes that the proportion of trustworthy people is high enough to give the desired result.

alternative to inflation (unless we prefer queues) will be to tighten our civilian belt. There is no escape from this conclusion.

Though this reason for reducing civilian consumption arises latest in point of time, I have discussed it first because it is of far the greatest general importance. But there are other reasons as well, which are already urgent.

The Government wants our savings, and our savings can come only from what we do not spend on our own consumption. We cannot both eat our cake and let the Government have it. It is obvious, too, that before we reach full employment of all our resources there will be shortages of particular kinds of resources, which must be overcome, if the war is to have enough, by restricting civilian use of specific things. This is already happening with, for example, machine tools and aluminium.

Objects in Reducing

Lastly, a good deal of what civilians consume in Canada and of what we need for war is imported from abroad. We can import no more than we can pay for; and we can pay only by our own exports, by selling our foreign investments, or in gold. Beyond that, either our war imports or our civilian imports must go short. The more, therefore, we export instead of consuming it in Canada, and the more imports for civilian use we either do without or replace with Canadian substitutes, the more we can import for our war effort.

There are, then, four possible objects in reducing civilian consumption:

- (1) To enable us, after all our resources are employed, still to increase our war effort without inflation;
- (2) To make more savings available for the Government;
- (3) To divert specific resources from civilian use to military use;
- (4) To improve our foreign exchange position by (a) exporting more, or (b) importing less for civilian use.

jects just mentioned, it is economically and fiscally silly to reduce civilian consumption. To free, for example, for our war effort resources that we cannot yet use for that effort simply means to make them idle. It inflicts pointless hardships and injustices, and lessens the national income and revenue. For this reason it seems to me that general exhortations to consume less, or efforts to do so without more definite guidance, may do more harm than good.

Effort Inadequate

But if there is no case yet for drastic general reduction of our civilian consumption, let us not think that a reason to congratulate ourselves. It is rather a reason for feeling uncomfortable and restive, since it means that our war effort is not yet nearly adequate. The best estimates are that for several years Germany has been spending for war not less than half her national income; and for this every squeezable pfennig has been squeezed out of civilian consumption. We, though we began so far behind them, are currently spending about one-fifth, and our standard of living, much higher than theirs to start with, has hardly been pinched. I know something of the Nazi economy, and I hope that we shall never see anything like it in Canada. But do we imagine that we are so much richer and stronger than the enemy that we can win this war with one hand in our pocket to keep it warm? It almost looks as though there are people who have some such idea.

No doubt some inadequacy is inevitable at this stage. We have had to revise all our ideas since last June, and to develop the kind of effort that is now needed takes time. But before long, if our war effort is not to suffer, and if there is to be anything like equal sacrifice, we shall have to reduce civilian consumption more drastically and by other methods. We shall not—or, rather, we must not—be able to afford so much of our resources for civilian use. And if we reduce civilian consumption of things that everyone uses, we must do our best to make the reduction affect everyone equally. Equality in this matter is vital to morale. Equal deprivations will be cheerfully borne; unequal ones will rankle, and they ought to.

You cannot get equality by sales taxes. The more they reduce consumption, the more unequally they do it. If you use income taxation, you are using a steam-hammer to crack nuts. To reduce consumption equally, the taxation in the high- and medium-income groups has to be on a scale altogether incommensurate with your main purpose, and produces all sorts of irrelevant results. And still you do not get equality unless you can prevent people who have capital from spending it on consumption. Besides, income taxes to reduce consumption are just as likely to reduce saving instead. The remaining method, rationing, has its own drawbacks, but its effect is direct and calculable, and it has the overriding advantage of equality.

The Government's present view seems to be that, apart from vaguely urging us to consume less and save the difference, it is not yet advisable to do more than limit or prevent civilian use of a few materials for the third purpose, and of some superfluous imports from the United States for the fourth. They have imposed these limitations by *ad hoc* prohibitions, restrictions, controls, priorities and special taxes. Still, these methods can hardly suffice indefinitely; and, even while they do, they are unfair. If supply is restricted while demand is not, there is a scramble for what is left in which the weaker goes to the wall. The unfairness is still plainer if any thing in general use is made dearer by a special tax upon it.

The second is to go on increasing our war effort, letting civilian demand compete with military demand for the short supply and the devil take the hindmost. That means inflation, and we know all about that. The third course is, as with the second, to go on increasing our war effort, but to keep demand from outrunning supply by deliberately reducing civilian consumption as our war effort increases.

In short, if we still want to increase our war effort after all our resources are employed, the only

have taken no action and given no definite guidance, civilians should carry on as usual. This is not passing the buck. It is the necessary corollary of the control the Government have rightly assumed over the national economy, and, let me add, of the fact that they tell us so little. To decide what is necessary requires an exact survey of our whole domestic economy, of our economic rela-

tions with other countries, and of the needs of the war. The Government alone have the knowledge essential for such decisions.

When they decide, as they must soon, that further reductions are needed, they are likely to get better results, and to get them more easily, if they treat us rather as eager partners than as sheep to be herded or busybodies to be snubbed.

"THE SUREST WAY OF PREVENTING Pneumonia..."

ACCORDING TO an eminent physician, "The surest way of preventing pneumonia is to eliminate the common cold and other respiratory infections."

This is because pneumonia rarely strikes out of a clear sky; usually it is preceded by a cold, influenza, or some other infection of the breathing passages.



Remember, colds are contagious. Thoughtful people cover up coughs and sneezes.

How, then, can one guard against the dangerous cold?

... By keeping away from people who have colds and avoiding contact with crowds as much as possible. By getting daily outdoor exercise and keeping in good physical condition. By getting adequate rest and keeping properly clothed. By avoiding over-heated rooms. By eating properly—not over-eating—and being sure to get plenty of protective foods like green vegetables.

At the first sign of a cold, proper treatment should be started and kept up as long as the cold persists. If the cold becomes severe, the safest course is to go to bed and call your doctor.

Pneumonia strikes most frequently during the first three months of the year.



Daily exercise pays dividends in pleasure and good health.

Metropolitan's free booklet, "Colds, Influenza, Pneumonia," contains many valuable, practical suggestions to help you ward off trouble at this time. Write today to Dept. T, Canadian Head Office, Ottawa.

So it is particularly important, during this period, for you to be on the lookout for pneumonia's most common warning symptoms such as:

Sudden chill...fever...pain in side...cough...thick, rust-coloured sputum...hurried, somewhat laboured breathing.

When any one or any combination of these symptoms is present, a doctor should be called *at once*. For if the illness is pneumonia, he will then, while there is still time, have the best opportunity to use successfully the effective weapons of modern science.

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THE HITLER WAR

The Prospects for 1941

BY WILLSON WOODSIDE

HOW have we come through the past year? How do we stand today? What is in store for us in the twelvemonth to come? These are inescapable questions at New Year's time. Looking back over 1940 the impression of the first quarter is of stupid and disgusting complacency; of the second quarter, nightmare; the third, acute anxiety; and the fourth, a definite turn of the tide. As we stand today I would say that although we could still lose the war we aren't likely to; and that although Germany could still win it, her chances of doing so have decreased every month since August.

Is there really any danger of encouraging complacency by presenting such an estimate? I don't see much complacency around these days. I meet instead serious alarm over the dangers of "the next ninety days", emphasized by Mr. Arthur Purvis on his recent return from Britain. People are right to be alarmed, because Germany is an immensely powerful, resourceful, ingenious, secretive, ruthless and increasingly desperate enemy, and she ought according to all the laws of probability to make another great try at defeating Britain before the flood of American planes and Commonwealth pilots shifts the preponderance of air power.

Let us come to grips with this menace of the next ninety days, or let us say, of the first half of 1941. Is it possible, as the author of "The Shape of the War to Come" insists, that the German invasion preparations of last summer were only a blind to encourage the attitude of mind among the British: "They tried to invade us last September and failed, therefore they would be bound to fail again in face of our much stronger defences"? I think not. I believe the Germans did go

"all out" in their air assault last August and September. Mr. Churchill says they did, and if they didn't they were strangely unfaithful to their own war doctrine. And I believe that their preparations on the Channel were no blind, but that they were all ready to go in September, perhaps even in August, if they had been able to roll back our fighter defences from the South of England as they tried to do. Britain has yet to meet an actual invasion attempt, and if the ensuing months have allowed her to bolster her defences against it, have they not also given the Germans time to improve their preparations?

Recollection of the good use which the Germans made of the six-months' *Sitzkrieg* last winter, while we fooled ourselves that because of the blockade and our vast resources time was automatically on our side without our needing to do very much about it, ought to be sufficient warning. With no active front to supply, and from all accounts having accumulated an overflowing stock of guns, tanks and shells, Germany has been free this winter to divert a large part of her great industry towards specific preparations for assaulting and defeating Britain.

The Shipping Danger

If anything is sure in this war, it is that Germany is pushing her submarine construction to the limit. The Germans have a fixed belief that they almost succeeded in defeating Britain with this weapon in 1917. Possessing a far better strategical position today, and with planes to guide the U-boats to their prey and to bomb shipping and ports, might they not feel that a little greater effort will give them a decision now? After all, if the United States can build freighters for Britain in parts in inland factories, why cannot Germany mass-produce submarines in the same way? It is possible that the Germans count on winning this way, and British authorities pay their judgment the compliment of generally admitting that the attack on shipping is the most dangerous one they face. Yet it should be recognized that this is a method, not of knockout, but attrition. The submarine-building program takes many months to come to full fruition, and it takes many months of heavy sinkings to produce a critical situation in Britain. After seven years of German preparation and a year and a half of war, sinkings are not much over half of the average for the whole of 1917 and the tonnage in British service is only slightly less than that at the outbreak of war. And if the aeroplane has become an aide to the U-boat, it has also given us a way of pounding the submarine-building works and bases which we didn't have in the last war. If the Germans can produce more submarines, we can produce more freighters and escort craft. The Battle of the Atlantic will be a grim struggle all through 1941, but I see no indication that we shall lose it.

Greater Aerial Effort

Next, the Germans may count on winning through a greater aerial effort. I don't fear the outcome of a renewed struggle for daylight air mastery over Britain. It is doubtful if the Germans can have sufficiently improved the quality of their fighter planes and pilots, and quite improbable that they can have built up sufficient numerical superiority, for them to resume daylight warfare with any better chance of success than last September. It is more logical to assume that they will develop the night raiding which they have learned so well from us. Perhaps incendiary raids like that on London last Sunday night are the pattern of their present hopes. Perhaps they have a more powerful explosive than

any they have yet displayed. Vincent Sheean speaks in "Europe in the Spring" of three liquid-air bombs which the Germans dropped in Madrid which "flattened out everything for blocks around". But one may ask, how did he know they were "liquid-air" bombs, and why, if the Germans had developed such an explosive several years ago, did they not bring it out last summer when they were in such a hurry to get the war over? Destruction the Germans can, and certainly will, rain on Britain, but Raymond Daniell of the *New York Times* declares in his year-end review that even people in the most heavily bombed areas don't believe the Germans can win the war that way.

Invasion Needs Masses

Is there anything else they can drop on Britain which would bring them a decision, such as gas or pestilence germs? These are horrible possibilities, very little mentioned. Some fiendish application of gas is always to be feared from the nation with the greatest chemical industry in the world, and the fewest scruples; while German military writers—notably Hitler's mentor, Professor Banse—have for years shown considerable interest in the possibilities of bacteria warfare. Yet leading British scientists assert that there would be great difficulty in spreading either gas or germs effectively from aeroplanes.

That brings us back as always to the old answer: to get the war over quickly Hitler has to invade Britain. He has to carry large numbers of troops—very large numbers—over to Britain on the water, in barges, speed-boats or transports; above the water, in troop-carrying planes or towed gliders; or under the water, in submarines or submarine-trailers. Both troop-carrying gliders and submarine trailers would be novelties, but they are technically possible. I saw strings of gliders—though with only one person aboard each—being towed in a Berlin air show six years ago. And it is hard to see why big-submarine trailers, without machinery but packed with troops, could not be made. That a large army could be transported by such means, or even by the largest troop-carrying planes, I very much doubt; and certainly if the men could be carried, heavy equipment could not. If an army could be effectively transported by plane, then surely the Germans would have used this method of conquering Norway, where the air defence was negligible but the risks of a sea-borne expedition considerable. The transport plane proved of great value in reinforcing outlying forces already in possession of suitable aerodromes or landing grounds, but the main army and its guns, tanks, trucks and anti-aircraft equipment had to be carried in big transports.

The cost at which this was done and such a weak and poorly defended country as Norway conquered, though the Germans had the advantage of overwhelming surprise and the aid of a Trojan Horse of hundreds of German consuls, attachés, secretaries, commercial travellers and shipping men within the walls, argues that the cost of invading a country one hundred times more powerful and better prepared, like Britain, would prove prohibitive. If Norway's tiny navy, her few old coastal guns and the small fraction of British naval power which was diverted to her aid sank, according to Mr. Hambro, one large battleship, one heavy cruiser, two light cruisers, some 15 destroyers, a score or more of supply ships, and transports carrying 25,000 men, what would happen if the Nazis stormed the bristling coasts of Britain?

Dunkirk proved that the Royal Navy can keep the seas around the British Isles against the worst that the German air force can do. The



Far-ranging, hard-driving mechanized British units such as this took the Italians by surprise at Sidi Barrani and started them on a disorganized rout which ended last week with the Italians cooped up in the town of Bardia where British guns were pounding them mercilessly. As the week ended a "sacrifice force" of some 20,000 Italians were holding the town, under orders to do or die, but already some were in reverse.

air battle over Britain last August and September proved that the R.A.F. rules the British sky in daytime. A million and a half Home Guards are on the watch for parachute troops. And today there is an Army, powerfully armed, out of all comparison with the force which was painfully extracted from France last June minus most of its equipment; an Army which is said now to comprise five armored divisions (the Germans only used ten in conquering France), able to quickly concentrate to meet any invading group which succeeded in setting foot ashore in Britain or Ireland. All these things taken together, and without considering any "secret weapons" of our own which might be trotted out, provide very solid assurances that a German invasion would be disastrously repulsed.

Extent of German Failure

There is, as I see it, the threat of what Hitler can still do to win the war. (I don't think he can win it in the Mediterranean or the Balkans. Any ventures there will only tie up more of his forces). I have painted the menace in the worst colors I know. I believe that Hitler can still cause a vast amount of destruction, which is his real genius. But I believe absolutely with Mr. Roosevelt that he won't win the war.

Consider the extent of Hitler's failure since June. He hasn't succeeded in a single venture, except the occupation of Rumania, and it certainly hasn't been for lack of trying. He has failed militarily, in the great

trial of strength of his *Luftwaffe* against the R.A.F., in all the ventures of his Axis partner, and in his attempt to effectively blockade Britain. He has failed morally: his technique of terror has not vanquished the human spirit, in Britain or the occupied territories. He has lost prestige, through the failures of his ally, the tarnishing of his own record of invincibility, and his inability to protect his people from our bombs.

The measure of these failures can best be seen in Hitler's complete political non-success. He has gotten nowhere with Spain and his plan for closing Gibraltar. He has not even been able to force Vichy France to knuckle down and hand over bases in North Africa and Syria and the remnants of the French Fleet. There are the plainest of signs that his honeymoon with Russia is over. His failure to form his vaunted Continental Bloc is only emphasized by his signing up of Hungary, Rumania—and Slovakia, Yugoslavia, Bulgaria, Greece and Turkey, despite every sort of Nazi trick and intimidation, remain outside it. With Japan backwatering, Italy remains Hitler's only active ally, and as such has been a colossal bust and will shortly become a big liability.

But the greatest of all Hitler's failures, and the one which promises to decide the war against him, is his failure to prevent the United States, greatest industrial nation in the world, from throwing her weight against him. As we enter 1941, Mr. Roosevelt and his people have unmistakably done that.



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In And were known bridge to story of connection v Persian his fame another a later c tory whi mile spa Sir J. T. ish men the Strait By a tre confirmed Great Pa sage th ships sh by perm ships als by the fo shore in

Gallipo

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The Dardanelles – Major International Problem

BY C. A. PERRIER

At the present time it is doubtful whether there is any single international problem of such great importance as the control of the few short miles of water connecting the Black Sea and the Mediterranean, those narrow straits which separate Europe from Asia.

To the Axis Powers their capture might well mean the breaking of our stranglehold of the blockade, particularly as regards oil.

If, on the other hand, the enemy fails to reach and control them, then it can be said with confidence that this war will end a great deal sooner in favor of the enemies of the Axis than can otherwise be the case.

cessful in thwarting these ambitions although in the last war a secret treaty was drawn up by which we agreed, in the event of victory, to allow Russia the occupation of Constantinople and the control of the Straits. Later when the Bolsheviks came into power they repudiated this secret treaty which left our hands free at the Peace Conference.

Later it was the Germans whose *Drang nach Osten* and their dreams of a great Eastern Empire made us oppose their schemes. Our policy was inevitably bound up with the protection of our Indian frontier. We could not allow any enemy to exist

in its neighborhood. Today the same policy exists. We cannot allow the Axis Powers to threaten our interests in the East where we have so much at stake. It is, indeed, this barrier of the Dardanelles which is our greatest safeguard.

Defeating Italy

There is another important reason for keeping these Straits safely in the hands of friendly Turkey. At present one of our greatest hopes of driving Italy to defeat lies in the blockade. With Gibraltar and the

Suez Canal in our hands and the Dardanelles a closed waterway to Italian ships there is no way by which she can get her two greatest requirements oil and grain. It is only from the world outside of the Mediterranean that she can obtain these two vital products which are essential to her in a long war. If only she could get the use of the Straits then her ships could bring her all her requirements from the countries on the Black Sea. As it is rail transport is costly and difficult.

Fortunately for us Turkey places little trust in Italian promises or intentions. Her dislike goes back

many years to the time of the war in Libya when Italy seized that country along with the Dodecanese Islands. Even of recent years Mussolini has succeeded in giving many little pinpricks to the Turks which have not been forgotten despite a most elaborate expenditure on propaganda of every kind.

Our sea power which the Italians so often derided has proved itself once again. It has proved successful in preventing the Italians from using this fifty-mile stretch of water the channel through which they might hope to save their beleaguered country.



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THE "Question of the Straits" is one of the oldest and most persistent in European history, starting in the days of dimmest antiquity. Through the intervening centuries this narrow waterway has, time and again, played a vital part in the lives of nations.

In Ancient Greece the Dardanelles were known as the Hellespont—"the bridge to Greece"—and there is the story of Hero and Leander in connection with them. Xerxes, the great Persian conqueror, built across them his famous bridge of boats, just as another conqueror, Alexander, did at a later date. Lord Byron made history when he swam across this four-mile span of water. In 1807 Admiral Sir J. T. Duckworth took some British men-of-war successfully through the Straits into the Sea of Marmora. By a treaty made in 1841 which was confirmed by the Peace of 1856 the Great Powers agreed that the passage through them of foreign warships should not be permitted except by permission of Turkey. Merchant ships also were only allowed to pass by the fort of Chanak on the Asiatic shore in daylight.

Gallipoli Campaign

To the British race of the present day, however, the most poignant memories come from the Gallipoli campaign of 1915 when our soldiers came so near to a victory which might well have ended the last war many months sooner than it did. It was the unfortunate naval attack before the military landing which rendered the attempt abortive, for it gave the Turks an inkling of our intention, of which they made full use in preparing strong and untakeable defensive positions. As it was, at the Treaty of Sèvres, Turkey agreed to demilitarize the Straits and permit Allied warships passage under certain conditions. These terms were revoked by mutual agreement, at the Convention of Montreux in 1936 when Turkey was allowed to refortify her important bastion. It was, indeed, a wise act on our part, for it secured for us the friendship of the Turkish people on which so much hinges today. At this Convention Italy did not put in an appearance.

Like so many other important military spots in the world, the low-lying peninsula of Gallipoli is barren and infertile. Scattered about on it are a few poverty-stricken villages, housing a small population which can only eke out a meager livelihood. The most important place is the town of Gallipoli itself which has a population of about 100,000 and has also a valuable harbor. From this town the country changes greatly and further inland the soil becomes fertile and profitable.

Ever since Britain became a world power it has been her policy to keep the waters of the Dardanelles free. In the 19th century the chief opponent of this idea was Russia who was always scheming to secure control of the Straits which would then enable her to gain direct naval access to the Mediterranean. We were suc-

THE SCIENCE FRONT

Static is Good Enough For Us

BY H. DYSON CARTER

PLAUNT and Politicus are not the only headaches at CBC headquarters. A gentleman by the name of Armstrong, who probably thinks Ottawa is a town in Illinois, has mixed a drink called "FM," and all the alphabetical celebrities in radio are nursing hangovers. Among the wildest are CBC, NBC, CBS, RCA and Washington's FCC. This is all very upsetting, because "FM" is really a fond dream come true. "FM" is radio reception without static. Yet all the best people hate it. In Canada we are going to ignore it. Apparently static, like the cold weather, is really a precious part of our Canadian Heritage.

Although "FM" is more politics than engineering, this department must look at blueprints before listening to speeches. Those who grew up with radio will quickly get the idea. "FM" is a new system of broadcasting speech, music, television and whatever over radio waves. To understand its novelty we must grasp the fundamentals of wave motion. With a little imagination this is easy.

You are holding a long cord or rope, one end of which is fastened to a wall. You swing the rope up and down, until you get a set of "standing waves." If your swing is steady you can readily observe several wave facts. First, every inch of the rope is moving up and down in exact imi-

tation of your swinging arm. This vertical motion, which governs the crest and trough of the waves, is the Amplitude. Second, the distance from one wave crest to the next remains the same. This is the Wavelength. Third, all the waves are rising and falling at the same speed as your arm. This number of waves per minute is the Frequency.

After watching the rope long enough to get these factors clearly in mind, you start experimenting. One test is enough for our purpose: prove that you can alter the Amplitude of the waves at will, without changing their Frequency, provided you swing your arm at constant speed while altering the length of your strokes up and down.

TO A FALLEN AIRMAN (R.A.F.)

(November 1940)

FORGIVE, O Lord, this neophyte
Who has but words and can but
write.
Starless now is he who owns
Egregiously these grounded bones:
Silence, his praise who vainly brings
A quill to him who died with wings.

RALPH GUSTAFSON.

The swinging rope is a vastly simplified radio wave, when the broadcasting station is "on the air" but not transmitting any sound. However, radio waves and the sounds we hear from the loudspeaker belong to two utterly different worlds of wave motion. In broadcasting, the radio waves serve only as vehicles for the sound waves, "carriers" as we say. How? Go back to your swinging rope. While you are waving it up and down, have someone else wiggle the rope just in front of your hand. These small vibrations will set up waves of their own all along the cord, without interfering with the big waves.

You have "modulated" the large waves. The hand with its small wiggles represents in radio the sound of voice or music. This is Amplitude Modulation broadcasting, or "AM." It is simply a way of getting the huge radio waves to carry small audible vibrations. But there is another way. Long ago distinguished engineers abandoned it as impossible. The man who didn't agree was Yankee Major Armstrong. He held that instead of wiggling the Amplitude you could make voice and music wiggle the Frequency of the radio wave. That's Frequency Modulation, or "FM." In the case of your rope, it means changing the speed of your swings, without altering their up-down motion.

Major Armstrong Did It

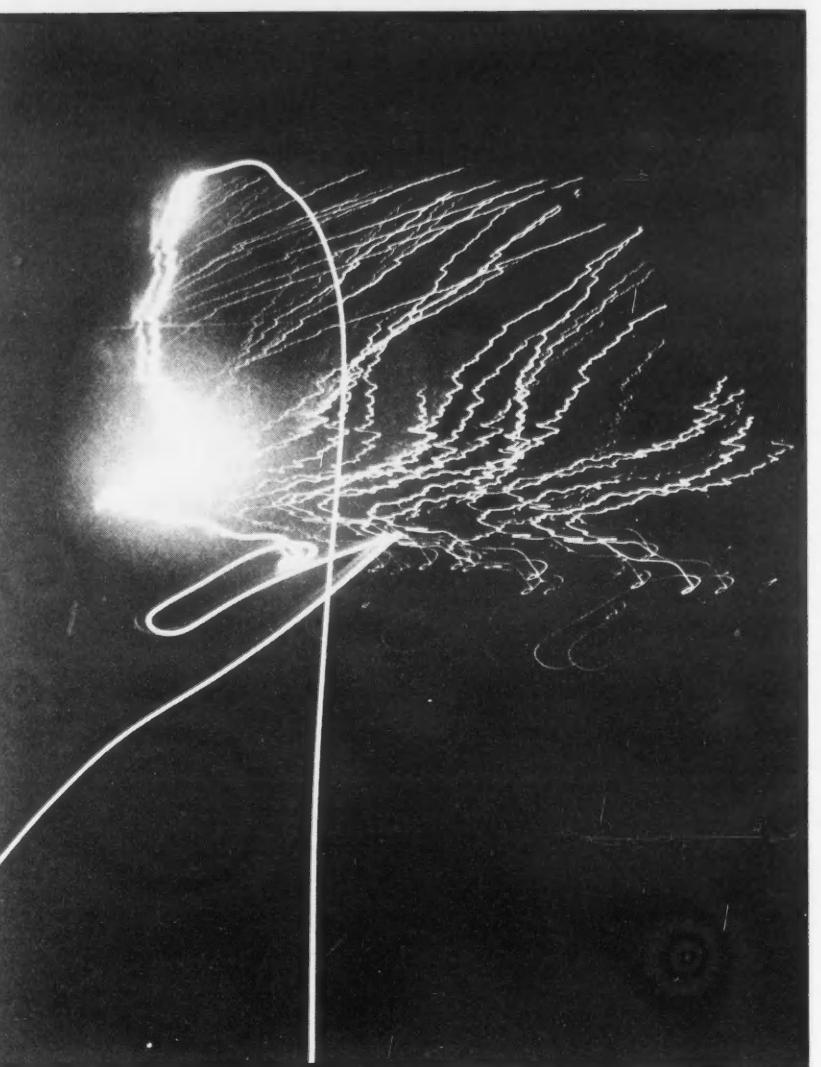
The experts said Armstrong was a screwball. But the Major's previous dumb ideas had practically created the radio industry—the famous regenerative circuit and the super-heterodyne were his inventions. Furthermore, nobody could kick Armstrong around as if he were an Average Citizen. He had a Dun & Bradstreet rating. He went ahead and built an "FM" transmitter and receiver. These did what couldn't be done. They broadcast speech and music with incredible fidelity, day or night, with absolutely no static or background noise.

Freedom from static is an inherent quality of "FM" broadcasting. This is because the chance of a "static station" (your electric razor, or a leaky pole transformer) sending out a wave of exactly the same characteristics as a broadcasting station's "FM" wave, is practically zero. With ordinary "AM" broadcasting, static waves are continually matching the program waves and thus making the racket in your set. "AM" waves are severely limited in their possible patterns. In "FM" an infinite variety of patterns are possible. In terms of tuning your set this means that with "AM" stations, two programs 2000 miles apart may interfere because their waves closely resemble one another. With "FM" you can have two powerful stations in your own city block, operating on the same wavelength, and they can't possibly interfere in your set! Wavelength doesn't mean anything to an "FM" receiver. It selects according to frequency. And obviously any receiver that can distinguish sharply between two big stations a block away isn't going to be worried by the ether-wave flotsam and jetsam we call static.

High Fidelity Too

Next to static-less operation, "FM" boasts high fidelity. When Dorothy Lamour breathes into an "FM" microphone, that's what you hear, and not a sound like her sash rippling in the wind. As for symphonic music, even Stokowski's ear cannot hear all that "FM" will bring to your loudspeaker. Enemies of "FM" ask why we need better reproduction for Soap Operas. But that isn't science, it's culture.

A startling feature of the new broadcasting system is its ability to cover wide areas with little power. Denying this, the CBC recently issued a statement claiming that "be-



English anti-aircraft batteries have developed a new technique in dealing with flares dropped by German bombers to light their target. The batteries now fire directly at the flares. Here is the fireworks effect of an anti-aircraft shell making a direct hit on one of the flares.

cause experience has shown that interference between rays from the same station... ruins frequency modulation... the use of frequency modulation for a national coverage plan offers no interest." This is no place for a debate. But your reporter is unable to discover foundation for the CBC statement.

A new "FM" chain in the east claims to plan service for one-fifth of the entire United States listening public with four 50-KW stations! "FM" station WIXOJ, costing only \$150,000, covers an area which would require a dozen "AM" stations. United States experience has not reported any disabling interference. The CBC has made no extensive tests with "FM", and its scheduled work is postponed for the war's duration. Meanwhile, below the line, Armstrong and his "FM" supporters

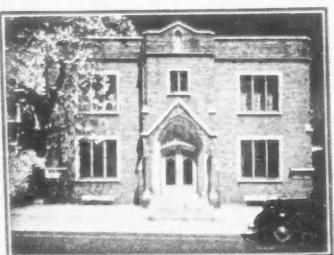
have at last smashed through opposition barriers to make the new system the biggest thrill the public has had since radio arrived.

And Coverage!

This matter of coverage is of public interest. What is "coverage"? If it means the ability of a station to make itself heard in your set when you press the button, then our present "AM" stations have a poor record. About 50% of our population get radio reception only at night, and then well buttered with static. This halfhearted performance is not what Americans call coverage. Coverage is 24 hour reception. "FM" will give it over wider ranges and with much lower power than "AM", with absolutely no static.

The opposition to "FM" was and is astonishing. The electrical combines, the broadcasting chains and certain influences in Washington's Federal Communications Commission, ganged up to squelch Armstrong's invention. There are two reasonable theories for this. "FM" is going to ruin the telephone monopoly on chain broadcasting (it's cheaper and better to link stations by "FM" than by wire) and "FM" is starting a pendulum swing back to independent stations, smaller chains and greater program variety. (O Canada!) In this heyday of dictator thinking, such ideas are indigestible in many quarters. Fortunately, Armstrong couldn't be beaten. He won. Down in the States you can listen to "FM" programs and all the better sets are being equipped for the coming change-over to radio's logical broadcasting system. Importation of new sets now being prohibited, Canadians can't hope to enjoy noiseless American programs.

Reviewing the struggle of this revolutionary invention, sponsored as it was by a rich engineer with a record equalled only by Marconi, we must smile at the notion of this being "the Age of Technology." We are really living on yesterday's inventions. How many Armstrongs without reputation and fortune are being shut up by Interests, little men with big titles, and the courts? This is one of the most deadly poisons being fed to warring Democracy. For you can silence people, but when you clamp down on technical progress today you are selling out the army tomorrow.



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For 80 years ornithologists have sought the breeding grounds of the Ross goose. Last summer, when two Hudson's Bay Company managers found the birds' nests on islands in an unnamed lake at the head of a Perry River tributary on the Arctic Ocean, the mystery was solved. Here is a specimen of the goose with a clutch of 5 eggs. The goose is white and slightly larger than a mallard duck. It was named after B. R. Ross, one-time Hudson's Bay Company factor at Fort Resolution.

If a vote were taken at this time to determine whose is the most popular voice on the air in Britain I do not think the issue would remain long in doubt. There would be, in my opinion, a mighty majority in favor of J. B. Priestley. Churchill is the dynamic symbol of British fortitude, toughness and endurance; and of all these qualities Priestley is the eloquent expression given in the language of the common people.

Priestley extracts from every human situation its human meanings, and his descriptions are told in the solid yet redolent speech of his native Yorkshire. Free from all aloofness, either academic or intellectual, he has in his broadcasts the rare gift of eliminating the sense of distance. While he is talking he creates a feeling that he is somewhere in the next room. This quality of intimacy and immediacy dispels those thousands of miles that separate him from his vast admiring audience on this side of the Atlantic.

In many ways J. B. Priestley is the living expression of Britain at this moment of time. Before amplifying this it would be interesting to glance at the background against which this popular man bulks so impressively.

The Yorkshireman

John Boynton Priestley was born some forty-six years ago at Bradford, in the county of Yorkshire, England. Yorkshire has been the birthplace of many men and women who have known fame in many walks of life. The Brontës were born amid its moorlands and under its bleak but strong skies eminent writers like Winifred Holtby and Phyllis Bentley first saw light. In Yorkshire also was born Philip Snowden, one of England's greatest political leaders, and what is more, one of her greatest, most fearless, and most honorable men.

Mr. Priestley's father belonged to the teaching profession, and teaching was the more famous son's first vocation. But to prove that J. B. Priestley was what is called a "born writer" would be easy, since he was even in his teens an early and vigorous contributor to the local press, in the columns of which he advocated socialism as a remedy for economic evils.

While still in his early 'teens he enlisted in the army in the first World War and went through the whole of that bloody course, suffering severe wounds. When he left the army he used what money he had to take a course at Cambridge University in order to fit himself as far as possible for the business of writing. When he left Cambridge he went to London, there to begin his journalistic struggle. He knew only one man, very slightly, in the literary world. That man was Mr. John Squire (now Sir John Squire), then editing the English Men of Letters series of books, himself a prolific writer, editor, and literary critic. A few years later the then Mr. John Squire was to play a very important role in heralding as a masterpiece Priestley's "The Good Companions."

Full of Humanity

In his early writing years J. B. Priestley was rather highbrow, but nevertheless he was a brilliantly erudite, sincere, and forthright critic. He wrote what is probably the best book on George Meredith, one of England's greatest if perhaps most difficult novelists.

Priestley's literary livelihood was derived in these initiate years from contributions to highbrow periodicals such as the *Spectator* and the *Nation* and the like. But even into these extremely prim pages Priestley blew deep breaths of robust criticism, rousing up the otherwise academically correct sheets with pungent pictures of life as it was, rather than as life was imagined to be by precious helots of the academies and the Bloomsbury schools.

He gave to economics and sociology a meaning other than mere statistics and palliatives; he infused into both the vitality of human beings with heartbeats and aspirations.

A man with J. B. Priestley's mental urgencies and passionate knowledge of and interest in human beings of

Priestley, Man of the People

BY J. G. SINCLAIR

the common mould could not for long remain harnessed to small jobs and in 1926 he had his first novel published by the firm of William Heinemann. This first novel of Priestley's pre-war England that was a "paradise for the rich, and a purgatory for the poor."

Today, J. B. Priestley like every other truly patriotic Englishman, is intent on a single objective only, i.e., the total destruction of England's enemies. That is the supreme task in hand upon which all other and better things wait. Coincident with the realization of that objective, men

of Priestley's forward vision envisage the new England that is to be. The new England that is to arise on the ashes of the old.

Such another man is Ernest Bevin, of whom Priestley recently said in a broadcast: "Bevin is a man after my own heart." The new England that they envisage is an England freed from privilege; an England where prevails a true democracy.

The secret of Priestley's popularity is compounded of many interallied factors. But two or three of these

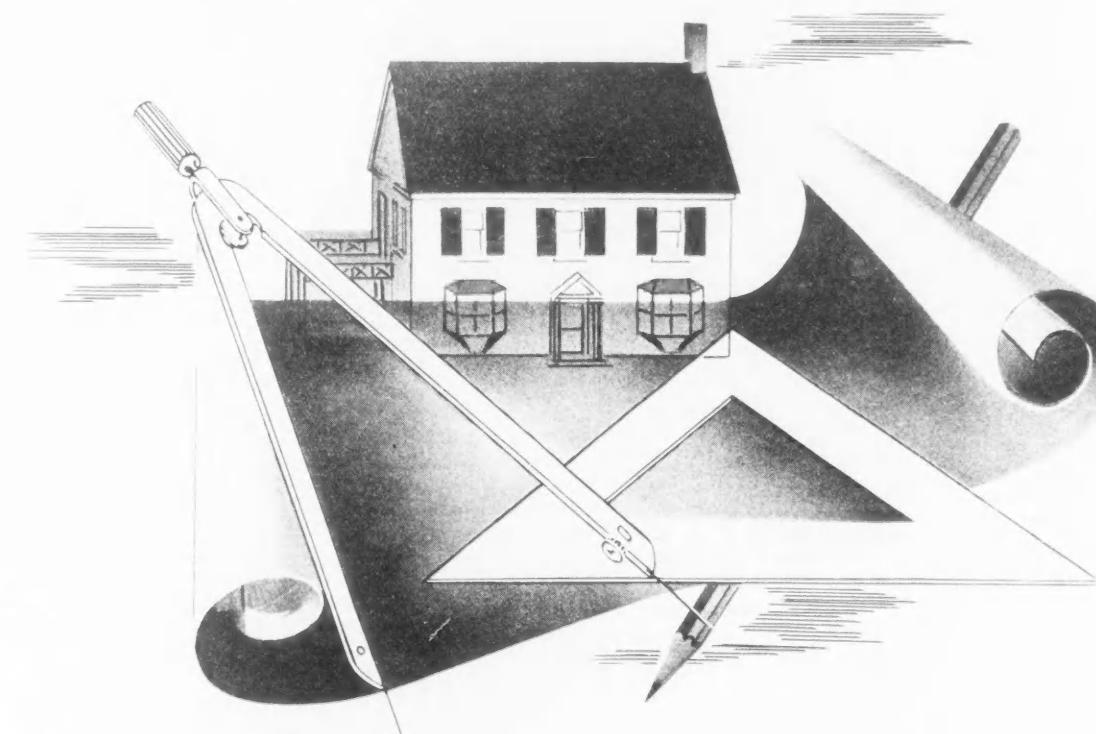
constituent attractions can be briefly stated.

His language is that of the common people. They understand him. He is free from all academic affectations. University man though he is, he has never lost touch, either in thought or speech, with the great mass of the people who are the real people of England. It will be a grand day for England when, like the people of the Western Hemisphere, all of the people speak exactly the same language. Such a common speech will demolish the class barriers that have proved so baleful to a common

understanding in the Old Country.

On the air Mr. Priestley is just what he always is, namely, himself. He is utterly free from "mike" consciousness. The microphone is for him an instrument to talk into, not a mirror before which he wants to attitudinise and pose. He is frank and free in his utterances; there is no patronage or talking down in Priestley. You feel he is treating you as an equal. That he has something to say and wants to say it as clearly and as honestly as words can serve.

His is the most popular voice because it represents the greatest number of the people, voicing their hopes and their aspirations in words which they would choose themselves were they the possessors of J. B. Priestley's rare talents.



TODAY'S HOMES ARE BUILT FOR TOMORROW

MEN learn from experience to hold fast to that which is good. In home construction this rule applies particularly to the use of materials which have proved their worth by retaining their beauty and efficiency through years of hard service, with a minimum of cost for replacement or repair.

Copper and its alloys, throughout the years, have enjoyed constantly widening use because their resistance to corrosion and long life provide service which is an outstanding economy. And today, more than ever before, the value of the "red rustless metal" is recognized by homeowners, builders, architects and financing institutions, as witnessed by the constantly increasing tonnage of copper used every year in building.

This great tribute finds its concrete application in copper and brass water pipe and heating lines, in copper flashings, gutters and roofs, in hardware and lighting fixtures, in windows and screens and water tanks. Parallel to the great increase in demand for

copper in regular building construction, more hundreds of tons are being utilized each year for air-conditioning equipment.

Foremost in the fabrication of copper and its alloys is Anaconda American Brass Limited. Its modern mill at New Toronto, Ontario, and more than 1300 Canadian workers are at your service — ready to supply you with copper, brass, bronze and nickel silver . . . in all forms of sheets, rods, tubes and drawn and extruded shapes that are used by the building as well as manufacturing industries.

COPPER—A Basic Industry

Copper is one of those basic industries through whose development Canada has prospered greatly. Essential though copper is today to every activity of modern man, much is yet to come. Through continued research and constantly improving methods, the "red rustless metal" may be expected to contribute in still larger degree to a more widespread standard of better living.



Anaconda American Brass Limited

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Main Office and Mill: New Toronto, Ont.

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NINE provincial premiers and the Dominion Prime Minister will get together a week Tuesday in Ottawa for a conference almost as important to the future of British North America as was the Charlottetown Conference of September 1, 1864. Then Sir John A. Macdonald seized the opportunity, despite the warning of the Colonial Office, to put the idea of Confederation of the Maritime Provinces and Upper and Lower Canada to those assembled to discuss only maritime union.

On January 14, all the provinces will get together in the big railway committee room in the House of

NATIONAL AFFAIRS

What Size Shoes Does Mitch Wear?

BY POLITICUS

Commons to bring the British North America Act up to date. And the success or failure of that Conference will depend on the size of two men—Mitch Hepburn and Willie King. It is that Conference which may pro-

vide the final answer for future historians on the place in Canadian history of those two men. Mitch doesn't give two hoots for a place in history. An important niche in the estimation of posterity has been one of the activating motives of the Dominion Prime Minister in his entire public career. But whether each of them wills it or not, what they both do in the discussion on the report of the Royal Commission on Dominion-Provincial Relations, and their actions following that discussion, will be of greater importance to the historians writing of this period than the number of their election victories.

Mr. King, his hand forced by Premier John Bracken of Manitoba, has almost, but not fully, committed himself to an implementation of the report of the Rowell-Sirois Commission. That was done in his letter of November 2 to the provincial premiers, released by tabling in the House of Commons November 7.

In that letter Mr. King says: "The Report commands itself strongly to our judgment. We believe that no time should be lost in arranging for a conference with the Provinces, in order to secure, if possible, the adoption of the Commission's recommendations."

And further in the same letter: "It is the view of the government that adoption of the Commission's recommendations is necessary to put our country in a position to pursue a policy which will achieve the maximum war effort and, at the same time, to lay a sound foundation for post-war reconstruction. For these reasons, we should like to avail ourselves of the earliest opportunity to place our views before the Provinces and to discuss with them the recommendations of the Commission."

Mr. Hepburn Quiet

It is very easy to get anything done if there is full agreement of all parties concerned. Where real statesmanship comes to play is when there are divergent views and the party desiring a course of action is able to pursue that course despite objections and to override those objections if the common good will thereby be served. Thus the big question of the conference devolves about Mr. King and Mr. Hepburn.

Mr. King has told intimates that he is wholeheartedly for the recommendations of the Report. Mr. Hepburn has not only told intimates he is against the whole thing but so told the press on May 7, 1940, and Mr. King's emissary, Mr. Tisley on October 25.

But there has been a change in the public attitude of Mr. Hepburn since that letter calling the conference. He has suddenly become very quiet as to his intentions. That is well exemplified in the news report of November 16, in the *Toronto Globe and Mail*. Here are the important paragraphs of that news story:

"Objecting to the headline declarations in the afternoon press that he alone opposed the Sirois report conference, the Premier announced to the *Globe and Mail* last night: 'I fully intend to be present myself, and I have already named a special committee of the Cabinet.'

"I am not in any sense opposing the conference. I hoped it could be held over until after the war, but I made it very clear that we were going to attend. No one can possibly say that I am holding out. In my letter to Premier King I set out my position clearly, writing: 'I was hopeful that a discussion of this problem could be delayed until after the war so that there could be no possibility of any controversial issue arising which might impair the national unity and the effective prosecution of the war. However, in view of the fact that a Conference is to be called,

it is the intention of this Government to make available its representatives at any time that may be required after the middle of January, as suggested by you.'

So the position in that news story, Mr. Hepburn's latest public declaration on the subject, is that he is willing to go to the conference but is not committed as to what he will do even in general outline. Of course Mr. Hepburn is too smart a politician to refuse to go to the conference at all. In fact he is taking along six ministers: the Hon. Harry Nixon, Provincial Secretary; the Hon. T. B. McQuesten, Highways Minister; the Hon. Norman Hipel, Labor Minister; the Hon. Duncan McArthur, Education Minister; the Hon. Robert Laurier, Mines Minister; the Hon. Gordon Conant, Attorney-General.

Chester Walters Is In

Most important of all however, is that Chester Walters, Controller of Revenue and boss adviser, is going along too. He more than any of the ministers is the confidant and brick-baker for Mr. Hepburn.

The situation as it stands, and probably will stand when the premiers meet in Ottawa, is this: Mr. Pattullo of British Columbia says No to the Report, but can be swung. Mr. Aberhart of Alberta is saying No but meaning Perhaps. That will likely become Yes. Mr. Patterson jumps in Regina when Jimmie Gardiner pulls the strings in Ottawa, and Jimmie says what Mr. King wants said. Mr. Bracken says But Yes. So does the whole middle west, most emphatically. The Maritimes say Yes. Quebec for the first time, under the good little man Adélard Godbout, is willing to play ball, if given some support. So Mitch Hepburn remains the big question mark.

Outside of Mr. King the man who can bring about the implementation of the Report is Mr. Hepburn. What then will Mitch do?

First of all it must be remembered that Mr. Hepburn was elected in 1937. He can go to '42. No good politician waits until the final round to try for a knockout. There are few cuter than Mr. Hepburn. So he will go before his time is up, and it is a safe bet, in fact it isn't even a gamble, that there will be an election in Ontario this spring, or early summer.

Now there must be an issue. Despite the figures and tables and charts in that pile of red volumes tabled by the Royal Commission, there are deep emotions that can be stirred by the Report. If there were ever a natural issue on which an election could be fought the Sirois Report provides it. And that goes for taking either side. A skillful politician can smell that without reading even the recommendations. It's a honey and a natural.

Need of an Issue

Mr. Hepburn is not as popular as he used to be. Understandably so. More and more people are getting his number. Then as time goes on he can turn back flips and land on his feet with less and less agility. And the day may be very close when in doing one of those back flips he may break his neck. Mitch knows that. Chester Walters knows that. So there must be a rip-snorting issue on which to rouse the electorate. The Report provides that.

Lloyd George always had an election issue pickling. Just in case it was needed. Not that his position was always clear in advance. No sir. But just an issue. And the Report is such in Ontario, either for or against.

Mitch now has the issue. Which side will he take? The most obvious one is that against the Report. All he has said to date points that way. But a skillful politician might be convinced that taking a stand in favor of the Report might be a sure way of making the grade. Mitch might do just that.



A. H. Bence, Conservative, elected to the House of Commons as member from Saskatoon, Sask., in a recent by-election. He is 32 years old.

Horsdal, Ottawa.

On the other hand, as the professors say, there is a great deal of evidence that Mitch will go to the province on a platform against the Report.

First of all Mitch has told a number of very close friends that implementation was "a Raid on the Ontario Treasury." There's one line in his speech already. Then he has damned the Report up and down to friends. Further, at least three of his ministers have been pouring the Report down the drain to friends. That is an indication of how Mitch thinks, but not necessarily of what he is going to do, for his ministers are not his confidants nor, in a great number of important cases, even his consultants.

Then once more there is Chester Walters of the Ottawa Civil Service, of the mayoralty of Hamilton, and other points. He has told friends he is against the Report. And what must be carefully considered is that if the Report is accepted then Chester Walters has nothing to do. Take away from Ontario the succession duties, income taxes and corporation taxes, and poor old Chester will have to try his Lord High Executioner's axe on himself. Remember that \$10,000 a year jobs are not easy to find when you've been around a lot.

Brief Is Under Way

The brief to be presented by Ontario on January 14 is now being prepared. The chief preparer is Chester Walters. Mr. Hepburn has tasted Mr. Walters' advice before and found it politically good. He will do it again unless something unforeseen happens.

But if Mitch does take the stump against the Report he will not find the going as easy as he did in the C.I.O. election. He will find the financial people against him. He will find the Canadian Manufacturers Association and the Trades and Labor Congress in opposition to his views. He will find that he has slipped in the province. And he will find that George Drew is a stronger personality than George Henry and Earl Rowe were.

In the C.I.O. election the *Toronto Telegram* gave support to Mr. Hepburn, the man whom C. O. Knowles hated in '34 because of the Quinn letter and hated even more because of the amendment to the Assessment Act which was designed to assist the Separate Schools in the province. The *Telegram* was of great value to Mitch.

Mitch also had the *Globe and Mail* in '37. If he opposes the Report he won't get it this time, for Flying Officer C. George McCullagh is wholeheartedly in favor of the adoption of Plan L. And Mitch well remembers his own statement after the last provincial election about the usefulness of his then friend George McCullagh. George is determined that the Report is for the good of the Dominion. And he won't back away from the responsibility that belief entails.

Aside from elections, the next several weeks will really show Mitch as having the big time stuff or being nothing more than a ward association vice-president blown fat.



The above is an excerpt from a statement made by the Secretary of the Overseas Trade Department in London. This statement crystallizes a fact of vital commercial concern to the people of Canada.

Britain's command of the seas keeps the channels of ocean commerce open--enables Canadian exporters to maintain a continuous flow of essential war materials and products to the United Kingdom.

British supremacy at sea spells freedom for Canada's exporting interests to carry on an active offensive toward securing markets for Canadian products in areas on which enemy countries formerly depended as valuable export outlets.

Throughout the West Indies, Central and South America, Canadian Trade Commissioners are stationed at strategic commercial centres. They are in position, and are well equipped, to give aid in many forms to Canadian business firms in carrying on this wartime trade offensive.

Requests from individual firms for information, or for assistance along any particular line, will receive the fullest co-operation of Canada's Trade Commissioner Service.

TC 417

DEPARTMENT OF TRADE AND COMMERCE

HON. JAMES A. MCKINNON, M.P.
MINISTER

L. D. WILGRESS
DEPUTY MINISTER

Ottawa

THE LONDON LETTER

Britain's Home Guard Problem

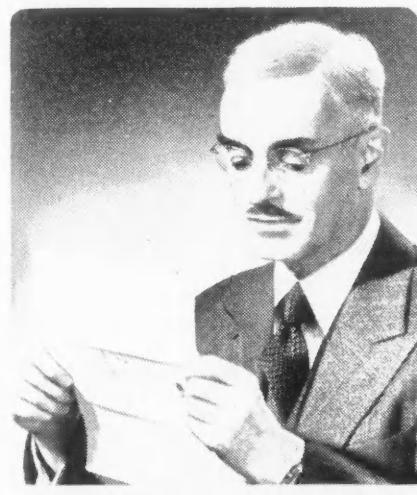
BY P. O'D.

Reassuring, but still a bit of a problem.

Recent developments in the Home Guard have been in the direction of an increasing militarization. Officers are now granted commissions, just as in the regular army. Training has become intensified. Better and more modern weapons have been issued, Bren guns, Tommy-guns, grenades. Naturally the Home Guards must be taught how to use them, if they are not to become a national menace instead of a national bulwark.

All these problems of equipment and organization are being gradually and satisfactorily settled. But the great and basic problem remains, the problem of what to do with the Home Guard. The more it looks and behaves like an army, the more inconsistent that problem becomes, because, as a matter of fact, the Home Guard isn't an army. The old name of Local Defence Volunteers describes it exactly—with the stress on "Local."

Not for a moment do I suggest that the military authorities and the Government are at a loss to know how to use the Home Guard. But I think they were very much taken by surprise at the size of the response to their appeal for volunteers, and are now feeling a little like a nervous old lady who had asked for a house-dog to give warning in case a burglar broke in, and was presented with a couple of mastiffs.



YOUR WILL

Is it Up-to-Date?

It is prudent to review your will carefully from time to time—and make any necessary changes in your plans for your estate.

Is it Drawn by a Lawyer?

"Home-made" wills usually lead to costly litigation at the expense of your heirs. The small fee a solicitor, skilled in testamentary work, will charge for drawing your will is one of the wisest investments you can make.

Does it Protect Your Heirs?

You can prevent worry and insecurity for your loved ones, by making sure that your will is planned to cover all the more obvious contingencies. Have you taken account of Succession Duties and other claims upon your estate? Will your family receive a regular income? Have you provided for the education and business training of your children?

Have You Named a Permanent Executor?

By appointing National Trust Company under your will, you are assured continuous service by men who are thoroughly experienced in every branch of estate management.

Write for free booklet: "Security for Your Family"



system will come into effect soon after Christmas.

For one thing, the retailer will no longer have to clip the footlong little coupons, not much larger than confetti. Instead of being detached, they will simply be cancelled with a rubber stamp or an indelible pencil—a much simpler and quicker operation. And he will no longer have to make application to the Food Office for his supplies of rationed foods. All that will be done for him by the wholesalers.

At present the retailer has to make four separate weekly statements setting forth his stocks, purchases, and sales of rationed foods. Under the new system one form will do for the lot. Another gain for him is that his customers will not have to register with him all over again every time a new set of ration books is issued—not unless they are changing their dealer. And ration-books are to be for a whole year instead of six months, though this change will not come until next July.

All this may not seem especially important to the reader, but the abolition of re-registration alone will relieve the shops, the public, and the food offices from handling 360,000,000 counterfoils a year. The figures for the coupons are almost astronomical, no less than 14,500,000,000 a year! Even the envelopes in which they have to be returned to the Food Offices run to 15,000,000. And all those forms which the wretched retailers have had to fill, the weekly reports and the applications for supplies millions and millions of them! No wonder their protests and appeals became more and more frantic.

A Quicker Operation

Some time ago I had occasion to say something about the troubles of the retail food-merchant, driven nearly dotty by the thousands of little coupons he has to clip and count each week, and all the reports and applications he has to make. Now at last the Ministry of Food is doing something to relieve the burden on him. And it is promised that the new and simpler rationing

In spite of all the publications he owned and directed, Lord Rothermere was never a great newspaperman. He had little or nothing of his brother's astonishing flair for editorial management, and not a tithe of his personal influence. His plunges into print in support of the various queer causes he was forever taking up were at times almost ludicrously inept. He was one of the standing jokes of Fleet Street—as publicist, not as publisher.

But there was one cause that he preached in season and out of season for nearly twenty years, and that was the necessity for Britain to have the biggest and best air force in the world. He was forever harping away on it, making the jokers laugh, and causing all the woolly-minded "appeasers" to write him insulting letters. Nobody laughs now. He was right as only one other man in this country was right, and that is Winston Churchill. It is tragic now to remember.

Mosque in London

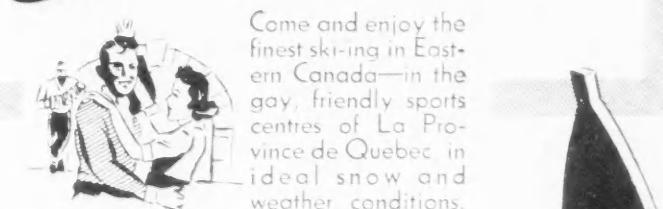
Just now when Nazi bombers are knocking into heaps of rubble so many of the historic buildings of London, it is heartening to learn that the Government is donating a site for the erection of a Moslem mosque, and will contribute £100,000 for the purpose. Perhaps the giving of the money is even more impressive than the giving of the site. Available sites are unfortunately very plentiful just now, but money isn't.

This project of a central mosque in London is not new. Four or five years ago a movement was started to build one, and a tentative site was selected for it in one of the northern districts. But I don't remember that the Government at the time proposed to take any hand in it. Perhaps that is why nothing really came of it, and the Moslems of London have still to journey down to Woking whenever they want to take part in the more elaborate ceremonies of their religion.

This time it seems quite certain that the plan will be realized, though probably not until the war is over. The astonishing thing is that such a mosque was not built long ago. It is true that there are not a great many Moslems in London, but there are enough of them in the country to support two small mosques at present. And it is intended that the new mosque should be a centre, not only of the Islamic religion, but also of Islamic culture which seems a highly desirable thing, even for non-Moslems.

The present intention, I believe, is that the new mosque should be built not in some out-of-the-way district, but at the very heart of London and the Empire, in Westminster. That is where it should be, considering that a full half of the 200,000,000 Moslems in the world live in the British Empire. And very good and loyal subjects of the King most of them are. Moreover, the new mosque is to be financed largely by their contributions. Every branch of them will have a share in it.

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Meet America's best skiers, skaters, athletes. Hundreds of miles of easy trails within quick reach of fast, frequent ski-trains; special week-end excursions from Toronto and Montreal. Internationally famous professional ski instructors, guides, maps, ski club hospitality; unexcelled ski-tows, downhill and slalom courses, jumping hills, well-marked runs... Comfortable accommodation at low rates for all purses; English spoken everywhere. For new winter sport thrills, come to La Province de Quebec!

Ask today for illustrated booklet "Winter in Quebec" at travel agencies, rail or bus offices, your sports club, or to La Province de Quebec Tourist Bureau in Montreal or Quebec, or 159 Bay Street, Toronto.

WELCOME TO LA PROVINCE DE QUEBEC WINTER SPORTS PARADISE



SKI-ING, SKI-JORING, SKATING, SLEIGHING, TOBOGGANNING DE LUXE, DOG SLEDS, SPORTS EVENTS, GAY SOCIAL EVENINGS, GOOD LIVING



THE ROYAL BANK OF CANADA

General Statement, 30th November, 1940

LIABILITIES

	\$	35,000,000.00
Capital stock paid up	\$ 20,000,000.00	
Reserve fund	3,198,146.37	
Balance of profits carried forward as per Profit and Loss Account	\$ 23,198,146.37	
Dividends unclaimed	29,000.19	
Dividend No. 210 at 8% per annum, payable 1st December, 1940	700,000.00	23,927,146.56
	\$ 58,927,146.56	
Deposits by and balances due to Dominion Government	\$ 20,462,766.89	
Deposits by and balances due to Provincial Governments	15,065,374.51	
Deposits by the public not bearing interest	299,085,358.54	
Deposits by the public bearing interest, including interest accrued to date of statement	405,521,189.16	
Deposits by and balances due to other chartered banks in Canada	215,956.83	
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries	12,047,550.38	
Notes of the bank in circulation	852,398,196.31	
Bills payable	25,103,351.64	
Acceptances and letters of credit outstanding	43,013.95	
Liabilities to the public not included under the foregoing heads	18,003,678.07	
	1,094,939.72	
	\$955,570,326.25	

ASSETS

Gold held in Canada	\$ 16.86
Subsidiary coin held in Canada	1,740,027.54
Gold held elsewhere	336,173.74
Subsidiary coin held elsewhere	2,011,482.62
Notes of Bank of Canada	17,006,558.25
Deposits with Bank of Canada	65,020,125.17
Notes of other chartered banks	774,981.70
Government and bank notes other than Canadian	20,078,000.42
	\$107,027,366.30
Cheques on other banks	\$ 29,171,678.91
Deposits with and balances due by other chartered banks in Canada	2,832.62
Due by banks and banking correspondents elsewhere than in Canada	70,389,511.25
Dominion and Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value	201,132,212.09
Other Dominion and Provincial Government direct and guaranteed securities, not exceeding market value	110,700,896.65
Canadian municipal securities, not exceeding market value	7,314,592.51
Public securities other than Canadian, not exceeding market value	9,421,620.56
Other bonds, debentures and stocks, not exceeding market value	32,155,514.15
Call and short, not exceeding 30 days, loans in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover	10,243,943.49
Call and short, not exceeding 30 days, loans elsewhere than in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover	7,394,239.19
	\$584,954,407.72
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	\$229,451,217.53
Loans to Provincial Governments	996,795.25
Loans to cities, towns, municipalities and school districts	18,374,596.54
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	29,277,395.82
Nonscurrent loans, estimated losses provided for	1,753,249.36
Bank premises, not more than cost, less amounts written off	329,886,254.50
Real estate other than bank premises	14,446,007.98
Mortgages on real estates sold by the bank	2,109,633.74
Liquidities of customers under acceptances and letters of credit as per contra	717,489.46
Shares of and loans to our related companies	18,003,678.07
Deposit with the Ministry of Finance for the security of note circulation	3,482,865.20
Other assets not included under the foregoing heads	1,340,000.00
	629,989.58
	\$955,570,326.25

SOFTENED STATEMENT OF THE ROYAL BANK OF CANADA

M. W. WILSON, President and Managing Director.

S. G. DOBSON, General Manager.

AUDITORS' REPORT

We have examined the books of account of Lending and Assets as at 30th November, 1940, with the books of account of the Royal Bank of Canada at Head Office and with the records relating thereto. We have tested the cash and the securities representing the Bank's investment in all its branches in the country, in the Royal Bank and in various states during the year just ended. We have also tested the cash and the minor amounts as held at the important branches.

We find that the Royal Bank has been conducted with strict regard to the rules and regulations of the Bank. The Royal Bank is in a position to meet all the obligations within the powers of the Bank. The Royal Bank is in a position to meet all the obligations within the powers of the Bank.

W. GARTH THOMAS, C.A., Montreal, Quebec, December 23, 1940.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1939	\$ 3,096,252.21
Profits for the year ended 30th November, 1940, after providing for Dominion and Provincial Government taxes amounting to \$1,823,950.19 and after making appropriations to Contingency Reserves, out of which Reserves provision for all bad and doubtful debts has been made	\$ 3,526,894.16
	\$ 6,623,146.37
APPROPRIATED AS FOLLOWS:	
Dividend No. 210 at 8% per annum	\$ 700,000.00
Dividend No. 211 at 8% per annum	700,000.00
Dividend No. 212 at 8% per annum	700,000.00
Dividend No. 213 at 8% per annum	700,000.00
Contribution to the Pension Fund Society	\$ 2,800,000.00
Appropriation for Bank Premises	325,000.00
Balance of Profit and Loss carried forward	3,198,146.37
	\$ 6,623,146.37

M. W. WILSON, President and Managing Director, Montreal, December 23, 1940.

THE BOOKSHELF

CONDUCTED BY ROBERTSON DAVIES

New Year's Resolutions

MAY I address myself directly to the readers of the Bookshelf on the subject of book criticism in SATURDAY NIGHT? I should not wish anyone to take what is written here as my final word on the subject, but as this is the beginning of the New Year it may not be amiss for me to define my intentions as they affect these columns; I feel that such action may create a better understanding between us.

Book criticism, which was once written chiefly for the benefit of authors, is now written as a guide to readers. Few of us have so much money that we can afford to buy books indiscriminately, and one of the objects of the book critic is to help the reader to lay out his money as wisely as possible.

As a book critic has a large number of readers whose tastes are bound to be different he is faced with two alternatives: either he may review books from the point of view of those to whom they are addressed, or he may present his own opinion, limited as it is by his defects of mind, feeling and education, and colored by his prejudices. The first of these methods requires the Protean skill and the lack of integrity of a chameleon; the second is open to abuse by cranks, smart-alecs and ignoramus. Nevertheless, it's the second method which I shall use, and I beg you to remember that what is said here about books reflects only my own opinion, or that of the writer whose name is signed to the review. I hope that you will value and trust these opinions, and the mails provide you with the means of preventing me from becoming a crank, a smart-alec, or from showing myself as an ignoramus.

For many reasons, much book criticism is lacking in integrity; that which appears in SATURDAY NIGHT will try to be honest. Do not be surprised, therefore, if it is often cold and adverse in its tone. A book critic reads most of the new books as they appear, and very few of them are first-rate. A critic is not necessarily sour and grudging if he does not hail a masterpiece every week.

Do not, also, condemn the Bookshelf if it does not always agree with your favorite American critic. The approach in these columns is British, rather than American, and the enthusiasms of the two peoples are often far apart.

Finally, I shall always assume that my readers are of a very high standard of intelligence though perhaps not of specialized knowledge, and I shall try to write for that intelligence so far as I am able. In Canada we cannot permit ourselves

the luxury of mental lassitude. For many years we have combined an extraordinarily high standard of living with a standard of intellectual and cultural development which is, to speak kindly, mediocre. Though we are as bold as lions in war and commerce, in the field of intellectual endeavor we are timid and inclined to shilly-shally on important issues. As with a human being, the last part of a nation to achieve maturity is the mind. I dare to say this as a Canadian, knowing that many of my fellow-countrymen feel the same way. In the world of today no free nation can permit intellectual mediocrity, and we must seize every possible means to fight it. The Bookshelf is not a long sword but it is sharp, and it will be in the fight.

How to Make Ten Grand

HILDRETH, by Harlow Estes. McClelland & Stewart. \$2.75.

THIS book is the winner of the 1940 Redbook-Dodd, Mead Prize Novel competition, and for it Mrs. Estes received \$10,000. Now that is a very pretty sum, and I am sure that many readers could find a use for it. I am, therefore, going to impart the recipe for writing a Prize Novel, which is founded upon my analysis of "Hildreth."

First, take as your chief character a plain girl who hates women and dislikes men, neglects her appearance, is tactless, impatient and cruel, and involve her in the faithful old Boy-and-Girl story with a young man who loves his independence too much to work, but is so full of pride that he goes into a three-day狂妄 (fanted) at any reference to his poverty.

Complicate the gritty romance of this charming couple by introducing Another Woman, in the form of the

girl's aunt. This aunt should be a languid and helpless creature, the widow of a Real Man; you know he was Real because he swore immorally and drank to excess, sure signs of masculinity in a Prize Novel. The aunt should have four young sons who swear like their papa, have no manners, and adore the poor young man because he is brown all over, even under his swimming shorts. After a good deal of high blood-pressure has been caused all round, the aunt returns the young man to the girl, slightly kissed but otherwise as good as new.

As comic relief (for real life is always a mixture of tragedy and comedy, you know) draw the girl's mother as a grossly fat woman who makes frequent references to the water-closet, bedwetting, and her girdle, for this is the only guise in which the artistic Process of Elimination ever enters a Prize Novel; a little scatological fun goes well in the lending libraries, too.

Scramble these simple ingredients well and serve in 307 pages; the postman will bring your cheque in the course of a fortnight.

A Prize Novel, like the result of any contest, is merely the best among those submitted, and I cannot see that it is entitled to any special consideration if it has no merit, which, in my opinion, is the case with "Hildreth." Literary ability emerges in its own good time, and even the siren song of \$10,000 will not lure it forth every twelvemonth.

Gallimaufry

TWO novels have come to hand, both of which are good in their way. The first of these is "The House That Is Our Own" by O. Douglas (Musson. \$2.00); Miss Douglas has thousands of faithful readers, and they will find this book as pleasant and easy to read as those which have gone before it.

The dedication is to John Buchan, a close relative of the author, and it is a delicately expressed tribute to the memory of a great man.

The second novel is called "Cecily Drake, Movie Editor" by Elisabeth Lansing (Oxford. \$2.25); it is what is called a book for teen-age girls. It is my personal feeling that a teen-age girl (loathsome expression!) is old enough for an adult book, but if they must have a special literature this book will do them no harm; nevertheless, if any teenage girl reads this on my recommendation I hope that she will reflect that she would be far better employed reading *Wuthering Heights*.

Also received is "We Like the Country," by Anthony Armstrong of *Punch* (Collins. \$2.50). It is a mild little book describing the adventures of the author and his family in rural life. If you buy it, examine your copy well; mine had an unexplained gap between pages 16 and 33.

THE RUSSIAN ENIGMA. Ten Years in the Country of the Great Lie. By Anton Ciliga. London, Routledge. \$2.50.

MR. CILIGA is a Yugoslav Communist who went to Russia in 1925, stayed there for ten years, and spent the latter half of that period in prisons because he identified himself with the Trotskyite opposition. He did not become disillusioned with Communism as such, but only with the Stalinist brand of it which he calls State Socialism. His book was published in France in 1938, and has now been translated into English.

Mr. Ciliga asks himself in one place in his book whether he did not unconsciously apply "bourgeois" standards, and thus saw most things in Russia in the darkest colors. It seems to us that he applied Western standards and, not knowing Tsarist Russia, contrasted present-day Russia with Western democracies instead of with Tsarist Russia—a comparison that we as a non-Communist feel to be unfair.

It is particularly pronounced when Mr. Ciliga states that "Leningrad is a piece of Europe inside the Russian immensity." He bitterly complains about the stilted Soviet bureaucracy, and he holds that in Leningrad, although the workers are suffering from it there the same as all over Russia, their spirit has been broken by it. By that Mr. Ciliga seems to admit at least we cannot help feeling so that the "betrayal" of the Russian revolution is a consequence of Russian conditions, and that the "European" workers of Leningrad could not stand up against it for inferiority of numbers.

If that is so, and if the vanguard of the Russian revolution, which historically speaking the workers of Leningrad were, is reduced to such a pliant, it is hard to understand what

THE BOOKSHELF

Hapsburg Waxworks

THE RAVEN'S WING, by Elizabeth Sprigge. MacMillan. \$2.50.

HERE is a book which has considerable merit, but misses excellence because its author knows too much about her subject and too little about people.

The theme of the book is the life of the Empress Elizabeth of Austria, and Miss Sprigge has obviously gone to great pains to find out whatever there is upon record of the doings and thoughts of that beautiful lady of the Wittelsbach family who was at last stabbed in Geneva. Her story includes that of many of the greatest figures of the nineteenth century.

Miss Sprigge's method is the right one. Having decided to write an historical novel she set out to learn all she could about her subject; but unhappily she neglected the next step, which was to discard or forget most of what she had learned. Consequently her book is full of facts and bits of historical knowledge, crammed together pell-mell for fear

that they should be lost. As a result, her story is complete, but it moves rather heavily.

A certain naivety has also stood in Miss Sprigge's way. It is almost impossible for a modern writer to describe a young man, in so many words, as being "like a Greek god" without provoking mirth. Ouida herself might have written passages of this book. Unfortunately we know too much about the Hapsburgs to accept Miss Sprigge's whitewashed waxworks as living creatures.

Despite all this, the book has quality, and should find a very large number of readers. I would not have spoken of it so hardly if I had not thought that it had the makings of a much better book than it is. Miss Sprigge has leaned too heavily upon authority and has not given her imagination sufficient play. Good historical novels are written by authors who, having accepted a tankard of fact, fill it to the brim with the wine of fancy.

A Modern Frankenstein

MISS HARGRAVES, by Frank Baker. Collins. \$2.00.

THIS is a delightfully unpretentious novel; the publishers are not pushing it; it has had little attention from reviewers; even the author seems apologetic about it; nevertheless it is markedly original in plot, which is more than can be said of most novels which reach this office, and it has a careless charm which is very engaging.

The story is of a young man in commonplace circumstances who suffers from too vivid an imagination; he enjoys mild hoaxes and likes to invent and discuss imaginary people, merely to astonish his friends and amuse himself. One of his inventions, an eccentric Miss Hargreaves, mysteriously appears in the flesh in the English cathedral town where the young man lives, and proceeds first of all to embarrass him by her odd behavior, and later to exercise a sinister influence over his whole life. Finally he realizes that he must get rid of her, and he

does so in a highly novel manner.

This tale of a modern Frankenstein is most successful in its effect, but in detail it is deplorable. It is the most carelessly written and edited book that I have read in some time. Part of the carelessness is the author's; if he wishes to make his chief character a musician, for instance, he should not allow him to misquote from the *Beggar's Opera*.

Similarly it is inexcusable for the publishers to allow a book to appear in print which contains several errors of spelling; God forbid that I should defend the modern fad for spelling a word in only one way, but to have to read 'supernumeraries' for 'supernumeraries' is too much to be borne.

Of this book the reader must feel that it is a pity that it was not written more carefully, or perhaps written by someone else. A good plot is as rare in a modern novel as in a modern play, and for its virtue in this respect I recommend "Miss Hargreaves" highly, despite its many other faults.

Metternich the Prophet

BY HECTOR CHARLESWORTH

PRINCE METTERNICH: STATESMAN AND LOVER, by Raoul Auerheimer. Longmans, Green. \$4.50

THE career of Clemens Metternich, (to call him by the best known of his many Christian names) is a part of the history of Europe during the 19th century. The brief Napoleonic era ceased after the Battle of Waterloo in 1815, and the Metternich era began. It lasted not only until his death in 1859, at the ripe age of 86, but in the opinion of Mr. Auerheimer, until 1914. Many books have been written about the man himself, and he enters as a dramatic figure of first importance into countless other volumes. In adding to this immense biography our author presents a new interpretation, based on events of the past decade.

For the past half century or so it has been customary to dismiss Metternich as merely a reactionary. But since Nazi ideology commenced to spread in Central Europe he has been denounced by doctrinaires of the "new order" as a traitor to the German race. From their point of view he was obviously so. Why? Because, though for many years the most powerful statesman in Europe, he utterly rejected the idea of German domination. From youth to old age he remained an internationalist. He held, and in this he was a prophet, that any attempt by a single nation however numerous and powerful, to

believe in democracy, and a philanderer among beautiful and brilliant women until his 80th year, he nevertheless kept constantly before him an exalted aim, the peace of Europe.

We learn that the Nazi ideologists hate his memory today; because he was first of all a European, secondly an Austrian, and thirdly a German. His career was temporarily wrecked by the Revolution of 1848. He was then 75 and his reactionism was but a natural process of old age, but in the days of his strength he was a tremendous force for tolerance and peace.

The Crime Calendar

BY J. V. McAREE

WHENEVER a new story by Erle Stanley Gardner comes to our desk we usually drop all other reading until we have finished it. No other writer maintains such a level. It is impossible to say which of his books is the best. One seems as good as another. At least *The Case of the Silent Partner* (McClelland and Stewart \$2.35) maintains the average of excellence. It is true that we find here a device which we invariably dislike and distrust, that of suspicion being cast upon two or three persons in a murder case because all of them have been on the scene at about the moment the crime was committed. Nevertheless it is a legitimate fictional expedient. This book introduces a new chief of the homicide squad whom we may expect to meet in later Perry Mason stories, and he promises to be a worthy addition to the stock characters. . . Death of a Peer by Ngaio Marsh (Collins \$2.35) is being hailed as the mystery of the year. We do not rate it quite that highly, although it is a first class piece of



C. J. Purnell, Secretary of the London Library, examines an incendiary bomb which has invaded his domain. This library is one of the finest in the world, and contains 500,000 books.

work by one of the most competent writers of mystery tales. The characters are far from the dummies usually found in detective stories. They are as carefully studied as are those to be found in the average smart novel. We defy any amateur sleuth to spot the murderer before Miss Marsh makes the announcement. Death of a Peer is considerably longer than the ordinary

detective story and could be condensed with advantage to plot action, but then we should lose a lot of charming conversation. It is first class, viewed as a whole. . . The 24th Horse (McClelland and Stewart \$2.35) is Hugh Pentecost's second novel, his first being *Cancelled in Red*, a prize winner. It is a first class mystery, soundly constructed and excitingly revealed. . .

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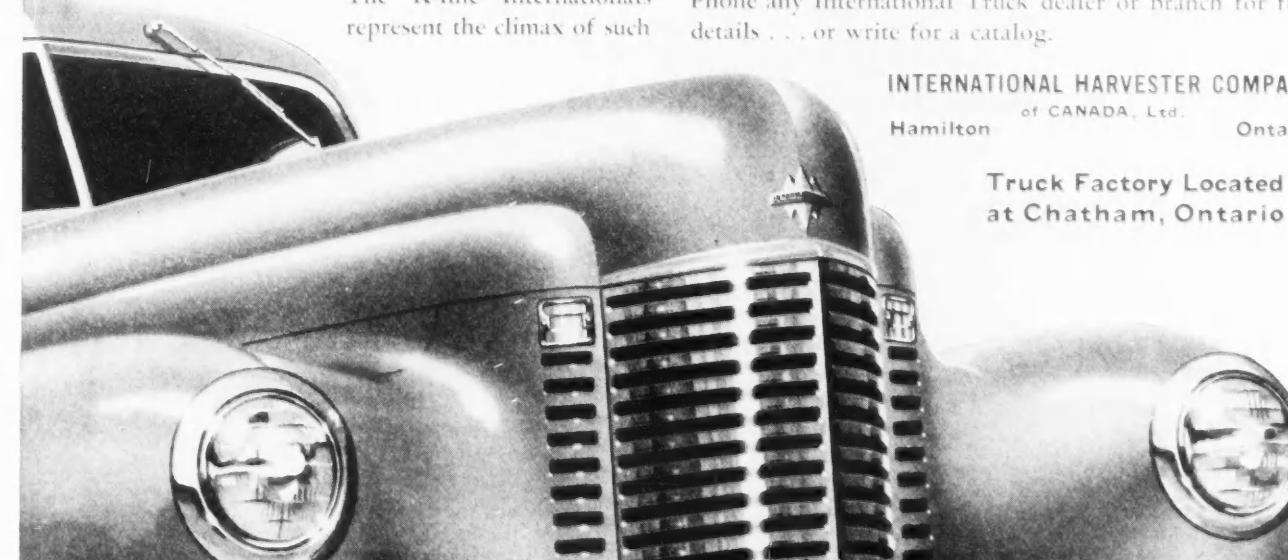
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John Miller Andrews, the successor to the late Lord Craigavon as prime minister of northern Ireland is no "strong" man. But he is a steady one and a canny one.

All his life he has been an Ulster business man and a successful one. As finance minister, he balanced Ulster's budget and now as premier of northern Ireland, he maintains the tradition that his is one of the loyal units in the British Empire.

And there'll be no union with Eire. "No surrender" is still the motto of Ulster.

THE third prime minister of Northern Ireland is quite a different type from either of his predecessors. He has none of the dominant, almost bullying manner of Carson; nor the gloomy, solemn attitude of the late Lord Craigavon. John Miller Andrews is a typical Ulster businessman and has been one all his life. For generations his family has been a power in the linen trade, and today the Andrews family controls one of the largest spinning mills in the world.

Born 69 years ago in County Antrim, Mr. Andrews was educated at the local high school, and then at College in Belfast. He entered the family business at 16, as most sons of millowners do in Ulster, and started at the bottom. His family are great believers in learning the business from the ground-floor up, and young John was no exception. He learned how the rough tow was "threaded" out into a finer reel, then into fine linen thread, to make the world famous Irish linen. He watched and worked with the "preparers," who made the thread ready for the weavers. Through each stage of the intricate process of linen manufacture young Andrews went, and at 20 he emerged with a thorough knowledge of his family's business.

Gradual Control

Gradually gaining control, he at length became the head of the mill, and it was there that Lord Craigavon found him in 1922, when, as Sir James Craig, he was entrusted with the formation of the first Northern Ireland Government.

"John," Sir James said, "you have a thorough knowledge of labor, will you take charge of Ulster's workers?"

But Mr. Andrews hesitated. He was not a public man, preferring to spend his leisure hours with his family in his home near Belfast. Finally he agreed, and retained the post of Minister of Labor for fifteen years. His salary was always handed back, for charity or other useful purposes. His efforts were not marked with any great degree of success, since the unemployment problem in Ulster is difficult. The province mainly depends upon ship-building and linen for its welfare, and during the period of world depression, the problem became acute, but Mr. Andrews emerged from the ordeal without much criticism.

Succeeding H. M. Pollock, Ulster's late wizard of finance, the new prime minister carried on the tradition of a balanced budget. Never once, during his nineteen years of its existence has the Northern Ireland government failed to balance its income and expenditure.

Will Carry On

The Rt. Hon. J. M. Andrews is a quiet, temperate man, an ardent Presbyterian, he neither drinks nor smokes, but this is less rare in Ulster than Britain. Devoted to his late chief, he is expected to carry on where Lord Craigavon's sudden death stopped the work.

Many people in Britain, Eire and America are asking if the new leadership will alter Ulster's oft-repeated refusal to join in a united Ireland. I do not think any change of policy is indicated from this new cabinet, for the Ulster Unionist Council, who back the government and must be considered if any drastic change were contemplated, would

Ulster's Third Premier

BY ROBERT O'NEILL-MONTGOMERY

utterly refuse to have anything to do with Eire at the present time. The vast bulk of the Protestant population of Ulster, which amounts to about 80% of the total, would raise a "shindy" if the question were even broached in parliament. As well, Ulster's one hundred thousand loyal Orangemen would throw out any government who suggested Union.

Apart from this, the cabinet itself is even more adamant against a united Ireland, and Mr. Andrews, were he even so disposed towards it, would find it impossible to interest

his fellow-members.

Lord Carson's message to the Ulster people in 1920, when it looked as if the whole of Ireland might be given autonomy under a Dublin parliament, is still the motto of the people and government. "No Surrender" may be seen on the gables of houses in the workers' streets throughout the province, under paintings of William of Orange on a white horse crossing the famous Boyne water; or some other historical event, such as the closing of the gate of Derry on James' troops. And "No Surrender"

is burned in fiery letters in the very hearts of the people.

Most of Ulster's million-and-a-quarter people would prefer to be under the complete jurisdiction of Westminster, instead of sending representatives there, and to Stormont as well. But the leaders say that it is "safer" to have control over certain domestic subjects, rather than have them debated in London, where only a few members might easily be outvoted by M.P.s who did not fully understand Ulster's peculiar position.

The leaders of the Unionist party boast that Northern Ireland is the most loyal part of the British Em-

pire, and no doubt this is justified. They say its contribution to the war effort has been splendid. Thousands of young men have joined the forces; money has poured into National Savings; many ships are being built in the famous shipyards, and other war equipment is being manufactured in increasing quantities.

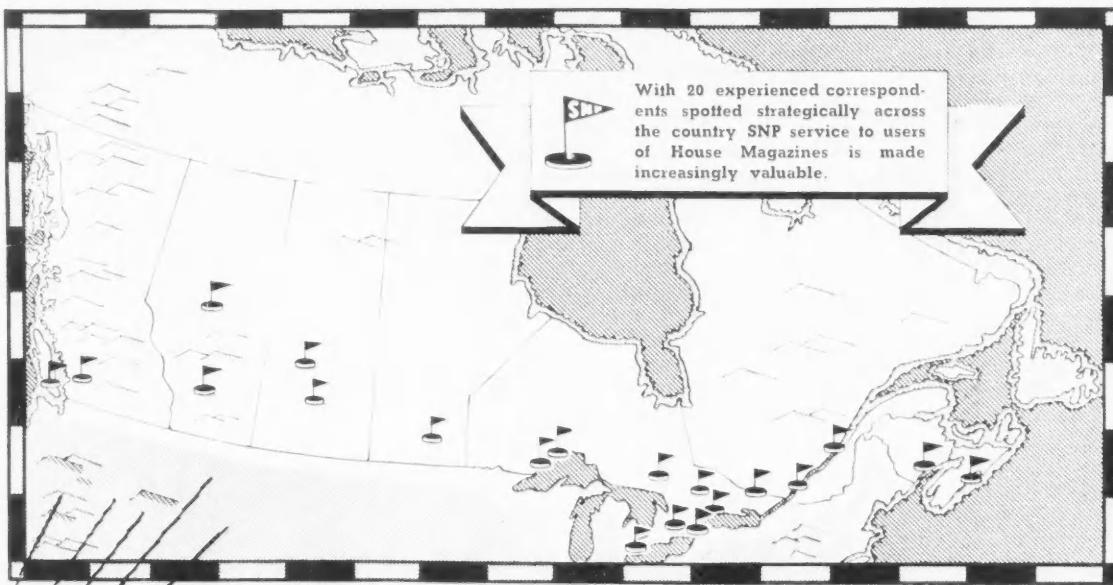
With such evidence of the people's desire to remain in one common bond with Great Britain, Ulster's new leader will endorse his predecessor's policy of isolation from Eire. Mr. Andrews is not a "strong" man in the sense that Craigavon was strong, but he has inherited something of the dour determination of his Scottish forebears, as most Ulsterfolk do, and opponents are likely to find him just as difficult a person to coerce as his beloved chief.

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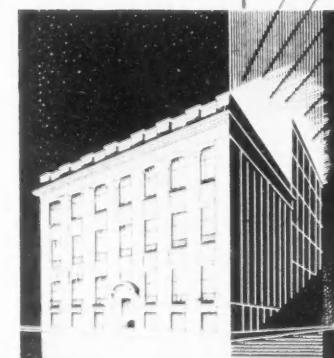
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Jean and Madeleine were to have been married, when France collapsed. Rather than live under the swastika, they skipped to England, where Madeleine got a job and Jean enlisted. Now they are happily married.

ART AND ARTISTS

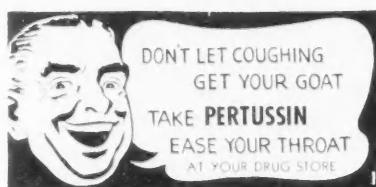
Artists and War Activity

BY GRAHAM McINNES

TOO often in the past century the artist has been regarded as a freak and a misfit. He received the secret grudging admiration and the open distrust reserved by the average citizen for those endowed with creative talent. In the peace between the wars, the artist's position markedly improved, especially in North America. The gap between art and industry narrowed; the conception of art limited to museums was replaced by the idea of art as a democratic force in a democratic community; the artist became once again (or tended to become) a useful pro-

ducing member of society. Then came World War II. In this war, above all wars, organization was the prime need. Anyone outside an organization felt useless and was often regarded as such. People with creative talent are always hard to organize; but lacking even the attempt at co-ordination, the artist relapsed once more into the position of misfit. Eager beyond measure to gear his creative talent to the war effort, he found there was no place for him.

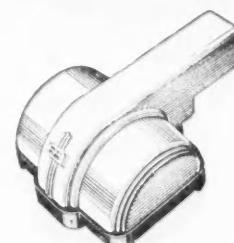
Why was there no place for him? Why, in Canada, have artists as a body not been engaged in one single wartime activity? Other warring nations have, each in her own way, geared the services of artists to total war. Britain employs artists to make extensive war records, to design war posters, to engage in camouflage research. Germany employs such artists as adhere to the party line (there are no others today) to boost morale through visual propaganda. Even neutral America has used native talent for recruiting campaigns, for Aid to Britain and Aid to Greece appeals. But in Can-



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designs presented to the committee for approval, as a *fait accompli*, were so ludicrously bad as to throw doubts on the fitness as propagandists of those responsible for their commissioning.

The fact of the matter is that public information—one of the three greatest weapons of total war, and of which artists' work is a part—is in an almost unbelievable muddle. Until that muddle is cleared up, there is little we can expect in the way not only of direction and co-ordination, but of imagination and vision in the channels of public information. As SATURDAY NIGHT has previously remarked, radio is responsible to Munitions and Supply (whose minister, Mr. Howe, is not even on the Information Subcommittee of the cabinet), films are responsible to Trade and Commerce, posters and so forth are the province of the Office of Public Information. The left hand barely knows what the right does. Until we get a minister of public information under whom radio, film, press, posters, lectures can be co-ordinated, our efforts will continue to be haphazard and uninspired.

ADMIRERS of the work of the late A. J. E. H. MacDonald will agree that E. R. Hunter's little book is a fitting tribute to his greatness. (A. J. E. H. MacDonald, Ryerson, \$2.50). Hunter's style is so bare as to be almost skeletal; but in the compass of forty pages there is not a single event of importance in MacDonald's life on which he does not touch. Together with Thoreau MacDonald's personal essay on his father, Hunter's observations form a definitive statement on MacDonald's life. Hunter has devoted most painstaking care to the compilation of a *catalogue raisonné* of MacDonald's work, and he has done a thoroughly professional job. The little book is beautifully turned out, with decorations by Thoreau MacDonald, two colored plates, fifteen half tone cuts, and line drawings in the text by MacDonald himself. New to me and I imagine to most readers, since it has not been reproduced before is the magnificent study "The Elements," a billowing dramatic canvas packed with movement and suspense. Interesting, too, is the placing of "The Solemn Land" directly opposite a photograph of the same country taken from a trestle on the Algoma Central Railway. It proves two things: MacDonald adhered remarkably closely to the scene before him; in doing so, he yet transmuted Algoma into something far grander and more moving than the reality.

THE following officers have been elected by the Canadian Society of Painters in Water Color for the season 1940-41: President: Carl Schaefer, Norwich, Vt.; Vice Presidents: Mrs. Coghill Haworth, Toronto; Frederick G. Cross, Lethbridge, Alta.; Secretary: Charles Goldhamer, Toronto. New members elected were: Miss Julia Crawford, Saint John, N.B., and H. Garnard Kettle, Toronto.

SUFFER LITTLE CHILDREN

COME, small bewildered refugees, Come safely through minecharted seas.

Canadians have room for you, Kindness, love, and welcome too. Here you need scan no fearful sky, No death on wings goes hurtling by.

We have a freedom to bestow No tyrannies can overthrow, And we intend to keep it so!

MAY RICHSTONE

ada a vast silence has reigned, broken occasionally by the crunch of the official hammer on the head of a new and promising idea.

HOW does the record stand? Early in the war, Leonard W. Brockington went to Ottawa to be, amongst other things, in charge of war records. Mr. Brockington, a man of wide culture and artistic sympathies, was an excellent choice for the position. But up till now he has been far too busy with the daily progress of war information to devote time to art; besides, he has no staff. Then, some four months ago, Public Information decided to do something about posters. A Posters Advisory Committee was formed under the chairmanship of H. O. McCurry, Director of the National Gallery. There is evidence in Ottawa, however, that the committee was regarded merely as a rubber stamp, and that poster

Between alarms these British fighter pilots stationed in Kenya have a novel way of amusing themselves. They have constructed kites and wage dog fights and mock air battles with several "planes" engaged.

THE CAMERA

Taking Light Readings

BY "JAY"

I SPENT an interesting evening recently reading a copy of "Photo Technique." This journal has the reputation of being above the heads of the average amateur, but in this I cannot agree. While it does have some highly technical subject matter, at least sixty per cent of the contents in the issue I read was of more than passing interest to all amateurs.

One article "Neutrope Gray Exposure Aid" by R. M. K. Cobb and D. V. Lowe, deals with a new, and simple way to use a photoelectric light meter. The method described is the introduction of a neutral gray card about five by seven inches in size. The density of the card should be such that at high noon and in full sunlight, the meter, held about five inches from it, should give a reading of two hundred and fifty Weston.

The writers point out that the advantages of taking a light reading off a standard surface are not immediately apparent when photographing a simply unit such as a petunia bed, which is readily light-measured from a position close to the camera. The convenience and desirability of measuring at the camera position the light on the scene reflected from a standard surface may be visualized by considering how one would measure the correct light when standing at the edge of the Grand Canyon—or before some equally vast and impressive spectacle visited once in a lifetime and to be photographed correctly under the light conditions prevailing, or never at all.

I have tested out the Neutrope gray card and the results are all I expected after carefully reading the complete story, and for Kodachrome I would imagine it to be almost perfect.

ANOTHER subject which is of timely interest is one dealing with monochrome carbro, by Don D. Nibbelink. Here again a number of simple, but very effective short cuts are suggested, and the writer gives freely of his own experience. A friend of mine, who had never before attempted carbro, tried out this method, and I have been agreeably surprised at his results.

No, there is nothing high-brow about "Photo Technique"; rather it is a publication which every serious photographer should have, and I do not hesitate to write this about it because the other monthlies on Photography are getting to be a little hard to take.



F. W. C. of Montreal brings up an interesting question in a letter I recently received from him. It seems that for about seven years this correspondent has been making a series of documentary photographs of the lives and habits etc. of the people of Montreal. He wants to know if I have heard of any other photographer doing this type of work, and suggests that I should pass on to the readers of this department some of the very interesting experiences he has enjoyed.

I am afraid space will not allow me to touch on this part of his letter, but I'm sure it is easy to imagine just how interesting such work can be. And I'm not so sure but what he is doing a job of national importance. It does seem to me that such collections of negatives are invaluable to those whose task it is to write the story of yesterday, and in this instance we do know that one picture is better than—well you fill in the number of words while I say, Cheerio and good pictures.



WHY not come? It's only an overnight trip to Mont Tremblant, famous winter sports centre of the Laurentians! No finer ski runs exist on the continent—and two modern chair ski-lifts give you more skiing per hour, more downhill mileage with less uphill climbing. Here you'll find the winter sports vacation you've wanted—as well as all the gracious living a charming French Canadian village with modern appointments and service can give. Mont Tremblant rates and accommodations are suited to every holiday budget—so c'mon up. Discover this grandest winter vacation of all—only 90 miles from Montreal!

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WORLD OF WOMEN

Fashions and the Axis

BY BERNICE COFFEY

AND now it's "Happy New Year" — when the least of the problems of the new year will be remembering to write 1941 at the top of our letters.

Two despatches concerning fashion of all things have come out of the Axis nations in two days.

One of these concerns an episode in a Paris dressmaking salon in which Herman Goering figures — indeed Goering seems to spend much of his time in these establishments. It appears that Lady Dees who also was there at the time, chose a beige coat and when it was being taken away by the vendee she was stopped by Goering who ordered her to send it

to him presumably for Frau Goering.

The second news item states that Italian and German garment commissions have signed an accord to do away with French styles and their influence. The accord provides for an exchange of artistic and technical information between the two nations each month. The agreement also provides for publication of an Axis fashion magazine to be staffed by an equal number of Germans and Italians.

It's really too bad that none of us are likely to see the first issue of that magazine, for there are several ques-

tions we would like to have answered.

Will the editors follow the usual custom of experienced fashion people and be influenced strongly by current events?

If so, what price some original designs by the Italians showing the Albanian influence? — particularly those skittish ballet skirts worn by the Greek Evzone? Or will the Axis editors consider Libya a more fertile source of inspiration?

We like to think the German editors will be in charge of beach suit and swim suit styles. After all, they have been spending a lot of their time on the Channel beaches. Herman Goering could act as advisory editor in the department of stylish stouts. And both the Italian and German editors ought to feature something exquisitely startling in reversible coats since both are past masters in the art of the turcoat.

Ah yes, it really is a pity that we cannot subscribe to the new Axis fashion magazine — anything for a laugh, we always say.

Sporting

Elsewhere on this page are two illustrations which show some of the reasons why Canadians are among the world's best-dressed skiers.

Ski togs made their initial appearance for the season at the Seigniory Club in the Province of Quebec early in December. The costumes of the three Montrealers dressed for a day of sport, seated on a fence close to the Log Chateau, typify what is best of this season's sportswear. Miss Monique Jobin wears a two piece tailored ski suit of maroon gabardine and boots by Hannes Schneider. Mrs. Peter Norman Dawes has slacks of navy gabardine, instructor style, and a military jacket of red flannel trimmed in white braid. Miss Morna McLean is in beige gabardine, a windbreaker of plaid taffeta by Hannes Schneider and a short sheepskin jacket.

After a day on the snowy hills the same group makes an equally smart appearance for the dinner hour. Mrs. Dawes chooses a short navy skirt with knee length hand knit socks, a white short sleeved sweater embroidered in bright colors and a red flannel jacket. Her shoes are of corduroy in red and blue checks. Miss MacLean is in a slack suit of men's wear serge in a pale rose shade with a candy striped silk blouse. The costume chosen by Miss Jobin is a combination of black velveteen and red flannel, her shoes low wedges of black felt with red leather trim.

The Queen's Gown

The beautiful gown by Hartnell — surely as lovely as anything that ever stepped out of a fairy-tale — worn by the Queen at the opening of parliament during her visit to Canada, has been sent to Canada where it will take its place among the country's historical treasures.

The Queen is setting the example in England's economy drive, according to reports from London, and has chosen few new outfits for the winter season. She is wearing the furs which were gifts received on her Canadian tour but has not ordered any others, and her couturier has used some neutral blue fox skins which she possesses, as a collar for a new cloth coat.

The style of her hats remains unchanged and she continues to wear the simple beret type with a few pleats on the left-hand side. When she presides at the weekly sewing bee at Buckingham Palace attended by her friends, ladies-in-waiting and the palace staff, from housekeeper down to kitchen maid, she wears a thin woollen frock with short sleeves and a short skirt — a style that is economical of material.

Royal War Work

The Duchess of Gloucester, like all the rest of the Royal ladies, is filling her time with war work. From the quiet peace of her country house she goes out every day, taking fruit and flowers to hospitals, helping the Women's Voluntary Services, visiting evacuated children, and doing all kinds of useful but inconspicuous work.

She drives her own small car, and one afternoon every week arrives at



Dinner hour at the Log Chateau of the Seigniory Club, and these Montrealers descend the stairway chatting about the day's sport. Their smart "after-ski" outfits come from the Henry Morgan Sportswear Shop.



Three Montrealers consider skiing plans for the day at the Seigniory Club. Their togs are from the Sportswear Shop, Henry Morgan, Montreal.

a farmhouse in the district. There she joins the working party of farmers' wives in the best parlor, all knitting socks as hard as they can. The Duchess knits as fast as any of them. She always stays for a cup of tea from the big farmhouse teapot and helps to pass round the cups. Afterwards she drives back to the lovely manor house which she and the Duke had just completed furnishing when the war broke out. In fact their house-warming party was to have been held on that fateful September weekend when England went to war.

The Duke rejoined his regiment immediately, and since then the Duchess has seen little of him except when he has got a few days leave. But, like other soldiers' wives, she keeps smiling and very busy. Even when

she entertains a few friends to tea she knits or sews all the time.

Lady Louis Mountbatten, wife of the King's cousin, has chosen, as her particular form of war work, to start something new. Borrowing a house from a friend, she has begun a concentrated course of First Aid lectures, which takes only a fortnight instead of the usual twelve or fourteen weeks. "Any of us may have to cope with urgent casualties at any moment," she says. "I realized that many women were waiting for an opportunity to take a speeded-up course, so I started here with twenty-five students including myself."

Lady Louis is Lady County President, County of London and Hampshire, St. John's Ambulance Brigade, so she sees that her friends get a

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SATURDAY NIGHT

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SATURDAY NIGHT			
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In this informal, continental-type snack room you can while away delightful hours dancing or listening to the latest music which you can select for yourself. The gay Music Box is unique in Montreal—and like everything else in the Mount Royal Hotel, is in the best of taste.

Come to the



HOMEWOOD SANITARIUM



The happiest days of many patients' lives have been spent at Homewood. It is more than a hospital for the treatment of nervous and mental strain . . . it is a community of beautiful buildings situated on a scenic country site, where good cheer and interest rule. The services of a kindly medical staff—hydrotherapy, massage, diet, electrotherapy, occupational therapy, are all included in one very moderate rate.

Write Harvey Clare, M.D.,
Medical Superintendent, Homewood Sanitarium,
Guelph, Ont.



Of smooth tangerine-colored crepe, this dramatic dinner dress has a flattering oval yoke flowered-beaded in a darker shade. Strategically placed hip pockets boast the same beading. New trend to floating panels is cleverly used with floor length draperies falling free.

good training. A fully qualified matron and doctor give the lectures.

But it is not all work. There is a very friendly atmosphere about this "college." At four o'clock everybody—matron, doctor and students—descend to the kitchen for tea. They sit around a long kitchen table, well scrubbed and devoid of cloth, while they take it in turns to wield an enormous teapot. Pouring out for twenty-five people is no joke, but the general verdict is that it is light work compared to being a "patient" and letting your fellow students practice bandaging on you.

Women's Exchange

AND now that the blue boudoir shoes (size 4½) have been exchanged for pink boudoir shoes (size 6½), and all the rest of the gifts exchanged for something else so that at last everybody's satisfied wouldn't you like to know what Londoners bought as Christmas gifts?

It isn't surprising that most of the wartime gifts were designed to add to the comfort of those sleeping in

shelters or on duty outside. Most popular of them all was a dark red band of processed felt designed for men on air raid precautions duty. It is wrapped around the stomach like a corset to keep the middle warm on cold nights when war duty calls for work in the open air.

Many a gaily wrapped Christmas gift when opened was discovered to contain a heavy dressing gown, a sleeping bag, a siren suit or pastel-shaded wool bed-socks. There also were decorative toilet kits, sponge bags, pajama cases and similar items to add glamor to a woman's shelter equipment.

Apparently women have been wrestling with the problem of what to do about concealing their curlers from the interested gaze of the public. For such, Father Christmas' hamper contained elaborate sleeping caps studded with flowers or tied in front with big bows. Other useful shelter gifts included fur-backed gauntlets and knee-high lamb's wool boots with slide fasteners.

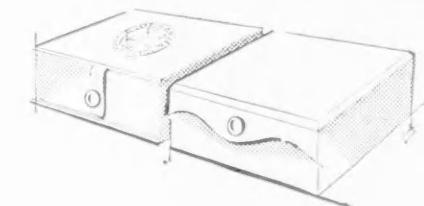
For the thousands of women who spent Christmas in uniform, attached to the army, navy or air force,

A PERFECT BACKGROUND FOR
YOUR NEW MAKE-UP



INCOMPARABLE
FACE POWDERS

Elizabeth Arden



The wrong shade, the wrong texture of face powder can mar an otherwise perfect make-up. When you use Elizabeth Arden Illusion or Cameo Illusion Face Powder you are assured of incomparable texture, and have twenty shades to choose from! Either Illusion or Cameo Illusion Powder is lovely used alone. For an opaque effect, use them together—first Illusion, over it Cameo Illusion.

Illusion Powder, \$2.00 \$3.00 Cameo Illusion Powder, \$2.00 \$3.00

Elizabeth Arden

Salons—SIMPSON'S, Toronto and Montreal
LONDON

TORONTO

or in motor and ambulance units, there were pigskin mending kits, cigarette cases and long-handled pigskin shoe horns which make it unnecessary to bend over when pulling on boots.

There also were pigskin make-up kits with lipstick and rouge and special boxes for carrying lumps of sugar for tea, when they are visiting and want to avoid cutting into the hostess' sugar ration. A useful "ration" gift for preventing ill-feeling in the home is a set of decorated tin jars for separate sugar, butter and other rations for each member of the family. But probably the most popular gift of all was the photograph frame to hold the picture of the absent member of the family.

Fantasia

At an exhibit of jewellery which opened recently in New York, one of the most delightful pieces was a tiny jewel case with a crystal lid, through which one sees the contents. It is one of several fantasies shown by Marc Koven who practised his jeweller's art in Paris until the city fell and then went to New York where he is carrying on.

The present exhibit is not large and many of the pieces were made for special clients and have only been loaned for the showing at his own establishment which is decorated in the Victorian manner with white wire furniture and yellow tufted upholstery.

There is, for instance, a wide band bracelet, which belongs to one of New York's leading dress designers, who also owns a round gold ball studded with little precious stones. All this regal magnificence holds a powder puff.

The jewel case mentioned is like a miniature gold tray with lacy edge. The glass lid encloses little butterflies cut from colored stones three of them. These are earrings and a brooch.

Oriental Cream

GOURAUD
The cream to use before the evening dance. No rubbing off—no touching up. A trial will convince.
White Fish, Rabbit, Sun Tan

Mothersills

SEASICK REMEDY
Quickly Relieves
Travel Sickness



The worn leather saddle bags that carried the mails of the Pony Express are transformed into saddle bags of snowy ermine. Designed to be worn over the arm, they are bordered with a fringe of ermine tails.



The new high crown with narrow turn-down brim in a brilliant cherry red stitched velveteen model. The tailored styling of the hat accented by wide band of matching red grosgrain ribbon, with red and green feather trim is softened by draped veil in contrasting jungle green.



THE PICTURES

A fitted coat of mossy green wool features wide draped lapels folding into extended shoulder seams. And as contrast, a fox mask a-top turban and huge red fox muff (top)

The high crown is being seen more and more frequently. Here it is in a grey felt hat with veil edged with braided felt. Two large jewelled sunbursts at front emphasize the softly pleated crown top

Softly tailored suit in vermillion wool, the skirt's slim lines emphasized by side tie sash and drapery of the molded-to-the-figure jacket (below)



CONCERNING FOOD

Tea Cup Greetings

BY JANET MARCH

The Christmas cards were disappointing this year, but why blame the card manufacturers, for disappointment was a common commodity in 1940. If you are a careful student of that expensively gotten up magazine Fortune, created to glorify the great American god Business you may have learned about Christmas cards, or perhaps that is one thing that the editors haven't yet had investigated. Anyway it is a million or a trillion dollar industry and its peak is about the time when the dog days of August smite us North American dwellers.

The poor artists and manufacturers must have been in a bit of a state last August, not just knowing what December 1940 might bring. They evidently, like most of us, thought that they would play safe.

"What," they asked each other "is safe to put on a 1940 Christmas card?"

"Well," answered one, "Peace on earth, Goodwill to men is out, right out."

"Merry Christmas sounds kind of off key," said another.

So after a good many "in conference" talks they thought "Greetings" was the best bet. You can still greet your friends, even if you have to stick your head out of a hole in the ground which was once your house to do it.

"We can't put 'Greetings' on every single card we get out though," complained the kings of the industry.

"I have it," said the bright boy, "Let's be funny! A joke is a fine thing whatever happens."

The artists started drawing, the engravers engraved, the presses rolled and a flood of angels with halos on crooked and gambolling lambs appeared.

"If you can't turn out enough with jokes and greetings go back to Mother Nature just put on a pretty picture with no comment and call it a day."

Their conference over the boys went home in the heat and had a long one in their shirt sleeves. This is probably not how it happened, but my mantelpiece looks that way. You can group them in bunches—greetings, humor, Mother Nature look your own over and see if it isn't so. The greeting school wins in numbers.

Now that what is called "the holiday season" is nearly over what about doing a little greeting of friends over a cup of tea? Sometimes there seems to be a lull in January which gives just enough time to catch up on reading a few of the Christmas books you got and haven't had time to open yet. The days are mercifully lengthening, and with our perpetual daylight saving time and luck with the weather the afternoon sun may glitter pleasantly on your silver tea set, unless of course you are the fortunate owner of one of those lovely old china sets, or your living room faces to the North.

Very fancy things for tea are out. Few and good seems to be the idea, and the good should first of all be applied to the tea itself. Buy good tea, make it well and if your guests don't all arrive together make it often. Cold strong tea is horrible and it's no trick at all to keep the kettle boiling till the last visitor has had her second cup. Something hot is really necessary if it's a party at all. Tiny buttered tea biscuits, plain or flavored with cheese, toasted currant loaf, cinnamon toast or, of course, crumpets—rubbery, dripping and delicious. Does anyone know how the holes get in the crumpet? Probably the same way that they do in real Gruyère cheese.

Tea Biscuits

3 tablespoonsfuls of lard
2 cups of flour
Salt
4 teaspoonfuls of baking powder
Milk
Water
Sift the flour, baking powder and

salt, then mix in the lard with the fingers, and add water and milk in equal quantities making the dough as soft as you can handle. Then cut with a biscuit cutter and bake on a floured pan in a hot oven. Soft dough is more than half the battle with good tea biscuits.

If you fix up the hot thing for tea this way have a few sandwiches. If you or your maid have time you can make those decorative cart wheels or checker boards with brown and white bread stuck together with a good adhesive mixture of pimento cheese. Still, they take time, hers or yours, and plain ordinary triangle sandwiches taste exactly the same and will disappear quickly. Sandwiches always do, you seem to be able to get on with them even while telling the very latest exciting bit of gossip, while if you are eating cake or dripping crumpets you must give your whole attention to the food end of the matter.

Beef Extract Sandwiches

Use either of the two well known brands, don't spread too thickly because it has a strong taste, and on top put a little water or pepper cress. These only take a moment to make and are good.

Lobster Sandwiches

Here is another good way of using our own Canadian canned lobster. Mix with mayonnaise, take out those boney things which lobsters grow here and there, add a little lettuce and there you are.

Date Chews

1 cup of stoned finely chopped dates
1 cup of chopped walnuts
1 cup of brown sugar
1 teaspoonful of baking powder
2 eggs
 $\frac{3}{4}$ cup of flour

Melt the butter, sift in the flour, salt and icing sugar and drop in little lumps on a buttered pan. These will flatten out while baking, and get brown edges to them.



Tailored in the school-girl manner

powder, and then add the brown sugar. Mix well and spread in a buttered pan and bake in a moderate oven. Cut in small squares and roll in icing sugar while still warm.

Cheese Sandwiches

Most people buy processed cheese for sandwiches for these are very good it is too, but just for a change try grating ordinary cheese, mixing it with soft butter and adding a dash of Worcester sauce. Cover with very crisp little pieces of lettuce.

Thin Cookies

There's nothing better to nibble at the end of tea or with your very best dessert course at dinner than a thin crisp wafer-like cookie.

$\frac{3}{4}$ cup of butter
1 cup of icing sugar
 $\frac{1}{2}$ cup of milk
1 cup of flour
Salt
Vanilla

Melt the butter, sift in the flour, salt and icing sugar and drop in little lumps on a buttered pan. These will flatten out while baking, and get brown edges to them.



An English designer is responsible for this attractive waterproof which is as suitable for town as it is for country wear. By Ledoux, London.

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THE FILM PARADE

God Rest You Merry

BY MARY LOWREY ROSS

"THE Letter" has its advance posters in a local theatre lobby, but hasn't shown up at the time of writing. We are told that we will be able to see Walt Disney's "Fantasia" any time we can raise the equipment, but beyond that nobody is making any promises. "The Great Dictator" has been exhibited in the East and in the West but went through Toronto without a stopover. There are vague promises that we'll all get a chance to see it sometime in 1941, but in the meantime it seems to be another case of jam tomorrow and jam yesterday but never jam today.

These are three of the year's most important pictures and anyone's list of the year's Ten Best is bound to include one or all of them. So I suppose I'll just have to leave blank spaces for late entries and fill out with the rest of my list—"The Grapes of Wrath", "The Long Voyage Home", "Pride and Prejudice", "The Primrose Path", "Pinocchio", "The Mortal Storm" and "The Bank Dick".

I'm glad "The Bank Dick" got in under the wire in time to be included in my list, since I couldn't possibly have cribbed it from the list of more scrupulous compilers and I wouldn't omit it for anything. The plot of "The Bank Dick" is as large, vague and morally inconsistent as the mind of its author Mahatma Kane Jeeves, which is the modest pseudonym of W. C. Fields. There's hardly anything in it that Mahatma Fields doesn't borrow without apology either from himself or from the early masterpieces of Mack Sennett and the Keystone cops. The direction is as open and obvious as the flat of your hand. The dialogue of course is distinguished when you can hear it, at other times it is as indistinguishable as the outraged monologues of Donald Duck, though on a lower key. All "The Bank Dick" has really is W. C. Fields, and W. C. Fields is all it needs. As far as I'm concerned you could cast Mr. Fields as the father in the "Four Daughter" series and it would still be one of the year's most rewarding pictures. (The more I think of this idea the better I like it. It would be wonderful to watch Mr. Fields dealing in his own obliterating fashion with the various pregnancy psychoses of those four lovely girls.)

It would be fun too to see him cast as Judge Hardy. I'd love to watch the strange alchemy that would follow when Andy Hardy's distracted emotions had been worked on for a while by Mr. Fields' kindly lack of all human understanding. In fact you could put W. C. Fields down almost anywhere and he would be perfectly incongruous and completely at home. That is his charm. He lives in his own world without concession or deviation, at the same time without apology or reproach. He is never subject to Weltschmerz, like Charlie Chaplin. He is never distracted and furious like the Marx Brothers.

Other comics are frustrated or piteous or demented, but Mr. Fields remains the immovable object in the midst of a play of irresistible forces. He is always beautifully at peace with himself and his actions are perfectly consistent with his own peculiar and luminous common sense. He is a great comic and I hope he lives forever.

of this sort, to people and landscapes and cities that never for a moment existed.

Rex Ingram is a very real Djinn and plausible in his role even if he does reveal a pair of enormous bakelite ears in close-up. Conrad Veidt as the wicked vizier is satisfied with play-acting the part and the two lovers are nothing but handsome figures out of a Christmas pantomime. But the engaging Sabu plays his part as the little Thief as though he truly believed every word and every miracle. Sabu and the magic and the bright picture book coloring make it altogether a charming film for both adults and children especially for children who have no trouble in effacing the parts that don't interest them.

Have Your Hat Custom Made

For years, Simpson's has been making ultra-smart, distinctive millinery for women who enjoy wearing hats that are custom-made. This specialized service is an important fashion feature of our Millinery Salon.

Simpson's



To display his Christmas goods and maintain the blackout at the same time, a Kentish shopkeeper employed this ingenious system of peep-holes.

Sportsmen Are Conserving Canada's Wild Fowl

BY J. O. BOLSTER

IT IS a sad fact that the fundamental importance of wildfowl conservation to Canada has escaped the greater majority of Canadians. The largesse of this vast country has been so little stinted with the passing of the years, that its citizens have been unable to foresee the time of scarcity that must inevitably ensue.

There has lately, however, come into existence an organization, Ducks Unlimited, which although still in its infancy, is vigorously carrying out a carefully planned project of wild life conservation.

It would seem strange on any other continent but this, that the impetus for an organized conservation should have originated with a body of enlightened men from across the border. It is an interesting and magnificent commentary upon the relationship that exists between the two democracies, when we learn that more than twenty thousand American sportsmen contribute annually to the furtherance of a project, the benefits of which, in the greater part, accrue to Western Canada.

Some idea of the magnitude of their contribution can be obtained from the amount of the funds thus made available, in 1938 \$100,000 and in 1939 the sum of \$125,000. It had been hoped, before the advent of the war, to eventually place at the disposal of Ducks Unlimited \$600,000 a year.

First, a Survey

In 1935 an organization, known as the "More Game Birds in America" Association, conducted an aerial survey of the duck population sources in Canada. This survey convinced them of the need for an immediate and vigorous effort to prevent the gradual extinction of wildfowl through settlement and exploitation. The first step was the establishment of Ducks Unlimited Inc. in the United States, and this was followed up by the sponsoring of a sister organization entitled Ducks Unlimited (Canada).

To the latter was entrusted the formidable task of increasing and maintaining wild-fowl production. The restoration program outlined was a diversified and ambitious one. Water levels were to be controlled and existing areas preserved. Breeding and feeding grounds were to be restored and brought back to a maximum production. Fire and overgrazing hazards were to be reduced to a minimum. Predatory elements were to be curbed, and finally complete information, with regard to wildfowl life and habits, was to be compiled and made available to the general public in a readable and easily digestible form.

The measure of their success can be gauged from the fact that in 1939 the duck population showed an amazing increase of 47% over 1935. It might also be pointed out, that this substantial increase effectively disposes of any thought that might exist, that Ducks Unlimited is purely an organization concerned with the exploitation of wildfowl solely for the benefit of the sportsman.

Business Principles

In endeavoring to obtain their objective of increased wild-fowl production, Ducks Unlimited have adopted the practical and proven principles of business. The cardinal rule of successful business is, as every banker has at some time or another learnt to his cost, the taking of a proper inventory at least once annually. And this, strange as it may sound, is precisely what Ducks Unlimited does. It would seem a stupendous task the enumeration of wildfowl in a 630,000 square mile duck factory!

The system adopted in taking this inventory is at once ingenious and simple. As we all know, for mapping purposes the National Topographical Society at Ottawa has divided Western Canada into rectangular areas of 4,500 square miles and for each of these sections a map is issued. The records of Ducks Un-

Ducks Unlimited, Inc., is an organization of sportsmen who have banded together to conserve the wild fowl life of Canada. The first organization was sponsored in the United States, but to-day it is international, boasts 20,000 members, whose contributions total in the hundreds of thousands of dollars annually.

Nothing is overlooked in the effort to promote wild fowl life. Even a census is taken. An endless fight is waged against predatory elements. And to-day the organization is associated with intelligent conservation in Canada.

limited are compiled upon a basis of these maps.

Thirty-five hundred volunteer workers enlisted by the company and entitled "Kee-Men" make the count. The counts, when received at headquarters, are referred to the maps. Due allowance is made for various factors that they know from past experience have to be taken into consideration, and in addition, reports are secured even from those areas where wildfowl are known to be practically non-existent.

The census was conducted the third week in July 1938 and during the last week of the same month in 1939. As mentioned earlier, the first ground and aerial survey was carried out in 1935. The figures for the three duck surveys provide an illuminating comparison:

1935	1938	1939
40,500,000	49,044,000	59,682,000

Duck Distribution

To achieve some conception of the gigantic task that confronts the organization each year in carrying out such a census, it is necessary to have some knowledge of duck distribution on the North American continent. The most outstanding revelation, afforded by Ducks Unlimited's first census, was that although 80% of North America's ducks are raised in the Canadian West, by far the greater portion of that 80% comes from "No Man's Land"; the name by which a northern strip of land, extending across the prairie provinces and into the north, is known.

There are, in all, three geographical, environmental zones, "No Man's Land," already referred to, the farm-lands, and the Pre-Cambrian Shield area.

The last census reveals the distribution as 24.81 in the farm-lands zone, 63.1% in "No Man's Land," and 12.09 in the Pre-Cambrian district.

The largest production area, "No

Man's Land," is a region of lakes, forests, and muskegs, with only the sparsest of settlement. Primitive conditions still prevail; but criminal, human negligence or indifference and commercial exploitation have combined to levy a tremendous toll on wildfowl life. The beaver, the greatest natural water conservationists, have been trapped in unrestricted numbers and their storage dams destroyed. It is an important part of the Ducks Unlimited plan to restore the beaver and their habitat, and much has already been accomplished along this line. Fire has blackened and ravaged the district. The public, although responding slowly, is gradually becoming fire conscious and more and more aware of its duty in this respect.

Greatest Duck Factory

In the "No Man's Land" area is found the greatest duck factory in the world, the Athabasca Delta. It is a 2,000,000 acre block composed of two thirds water and one third silt. Another large production centre in this strip is the 16,000 square mile The Pas-Cumberland region. A scattered but highly productive area is the central lakes region of central Saskatchewan and east central Alberta. It comprises 48,000 square miles and is situated partly in the agricultural area and partly in "No Man's Land." The great marshes at the source of the MacKenzie River are tremendously fertile as are several other scattered areas in "No Man's Land" from which originate most of the diving species of ducks.

Before the advent of the plough and in its wake the vast spread of broken land, the farmlands constituted the greatest Canadian producer. The longer breeding season, the presence of a plentiful, natural food supply, and the small, shallow waters were all features that attracted the duck population. Since 1930 drought has taken a heavy toll of adult and young wildfowl, and to its effects can be traced in part the unbalanced sex ratio which has been observed on both wintering and breeding grounds.

The third production area, the Pre-Cambrian region, has a surface spread as great as the other two areas combined. Knowledge of the district is at present limited, but it has been more or less definitely ascertained that there are no breeding grounds of a great population density. The lakes are deep, cold, and rockbound. A great portion of the region is muskeg, mostly spruce bog. The main species from the area are Mergansers, Golden Eyes, and Buffleheads, the last a tree nesting variety.

Population Shifts

A factor, which further intensifies the difficulties of taking a duck census, is the large scale population shifts that occur yearly because of



Outbreak of botulism at Red River Delta, September 10, 1939.

varying conditions. In 1935 the Athabasca delta area was flooded to such an extent that only the tops of the trees showed along the banks. The duck population was computed at 900,000. In 1938 water levels had dropped and more ideal conditions prevailed, the result an astounding increase to 8,000,000.

In the central lakes region the situation was reversed. In 1935 the duck population was 10,900,000, while in 1938 it was less than half that total, an indication that a major shift had occurred. In Manitoba, the water levels in Lakes Manitoba, Winnipegosis, and Waterhen, the famous breeding ground of the Canvasback, have steadily declined, and this has been accompanied by a corresponding decrease in the duck population. On the other hand, offsetting increases have been observed in The Pas area to the north.

The year 1939 was one of great recovery in the Saskatchewan area. Water surface conditions improved tremendously over those prevailing in the previous nine years. Wildfowl came back in the thousands to breeding grounds that had been lonely and unoccupied for a decade, a sight that must have gladdened the heart of many a drought-ridden farmer.

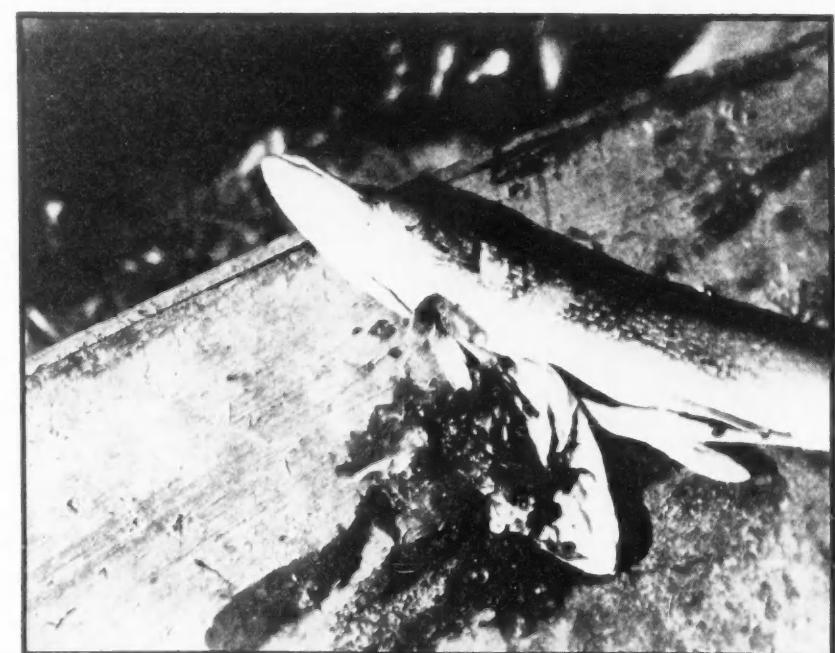
The water remained until the young were in flight, and the count leaped from 2,000,000 in 1938 to an unprecedented six and one half million in 1939. The greater part of the increase was due to the survival of the offspring. These in previous years had been lost due to the water drying up before the hatch was on the wing.

An effort has been made to trace the movements of the ducks. Some evidence has been obtained, indicating that young ducklings move north after the hatching season and grow up in places far removed from where they first saw light.

Extremely large concentrations occur in relatively small areas often creating an acute food problem. It is probable, however, that the original determining factor leading to such concentrations is the presence of abundant food supplies. In the Athabasca Delta the number of birds observed, during the breeding season before the hatch appears, are but a fraction of the number seen in August even after due allowance has been made for a threefold increase because of progeny.

An interesting phenomenon occurs when the males of the Canvasbacks, Redheads and Scaups, during the flightless period of the post-nuptial moult, foregather in the thousand or more secluded deep water lakes, miles from known breeding grounds. They raft in myriads a quarter of a mile offshore, and dive instantly at any disturbing or alien sound. These lakes are duck hotels, or more aptly retreats for temporarily discomfited gentlemen.

The causes of waterfowl loss are numerous and difficult to combat. Ducks Unlimited has been meeting the problem of the disappearance of former breeding grounds by building



A young duckling removed from the belly of a jackfish.

WHEN Confed on January recommended the power to d uncertain for which has Canadian years.

Western have pinned berations o conference, they see planned att from the ec have b of drouth, low wheat.

Due to the omic condit inces during the Sirois that, under benefits sh these areas ewan, harder and recognize th will not rea immediately promises to the Dominican

Not Back

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THE PRAIRIE LETTER

The Lion's Share to the West

BY GALEN CRAIK

WHEN Canada's new "Fathers of Confederation" meet at Ottawa on January 14 of 1941 to discuss the recommendations of the Sirois Commission they will have it within their power to direct their country's first uncertain footsteps toward that unity which has been sadly lacking in the Canadian political scene in recent years.

Western Canadians particularly have pinned high hopes on the deliberations of the Dominion-provincial conference, for in the Sirois report they see the first intelligently planned attempt to lift the prairies from the economic depths into which they have been plunged by a decade of drought, depression and ruinously low wheat prices.

Due to the steadily worsening economic conditions of the prairie provinces during this period, members of the Sirois commission have urged that, under their scheme, the greatest benefits should be conferred upon these areas, particularly Saskatchewan, hardest hit of the three western provinces. Westerners hope that other and wealthier provinces will recognize their need and that they will not resent what appears to be an immediate sacrifice for what promises to be an ultimate benefit to the Dominion as a whole.

Not Back to the Indians

In the past there has been considerable misunderstanding in the east regarding the west's position.

Many in the eastern provinces, where fruitful fields year after year yield bountiful crops, have thought that the prairies, as a source of agricultural wealth, were "done," that this wide, dry, sunburned, wind-ravaged and grasshopper-infested country should in truth be "given back to the Indians."

The westerner, however,

feels that this presentation of the case is much too gloomy. He realizes that life in the wheat-producing belt will never be as secure as it is on a comfortably-appointed farm in Ontario, but he also believes that some day a war-torn world will have need of all the wheat the west can produce, and remembers that even in the worst years the prairies have always succeeded in growing millions of bushels of the best wheat in the world.

The terrible '30's taught the west that it cannot live forever in an era of perpetual prosperity, with fairly constant or rising wheat prices and

a continually expanding world wheat market. The mistakes the western farmer had made in his agricultural methods served, in this disheartening decade, to accentuate the triple blows of shrinking markets, falling wheat prices and dwindling production.

The forces of nature and of economics taught the western farmer a grim lesson, which he has been studying since with painful but unwavering attention. He knows now what he must do to put the west's agricultural economy on a reasonably sound basis, he is confident he can do it, but there is this about the problem—the economic blows the prairie farmer has experienced in the past ten years have been so severe that his recovery will be impossible unless a helping federal hand gives him a final pull out of the morass into which he has fallen.

For the benefit of those who have no very definite picture in their minds as to how greatly the prairies did suffer in the years since 1929 here are a few facts and figures:

Premier Bracken of Manitoba estimated a few years ago that since 1929, compared with the average of four years ending with 1929, value of farm products sold in Western Canada had declined more than two and a half billion dollars, an amount almost equal to Canada's total national debt at that time (1938).

"If anyone," said Premier Bracken, "is searching for an explanation of the difficulties of the prairie provinces during the last eight years, he need search no further than this simple statement of fact."

A Record Drought

In 1937, the worst drought ever experienced cut western wheat production to 182,000,000 bushels, the smallest output since 1914. The sharp decline in income is thrown into clearer relief when the 1937 production figures are compared with those of the record years of 1923-27-28, which were, respectively, 474,000,000, 480,000,000 and 567,000,000 bushels, the latter being the year in which the west really went to town.

In Saskatchewan itself the 1937 crop was the smallest since 1906, when acreage was one-eighth that seeded in 1937. Saskatchewan's average yield that year was 2.7 bushels per acre, and the value of the crop

sank to \$49,890,000, compared with the all-time high of \$351,000,000 in 1925, and approximately the same amounts in 1927-28. That is a pay cut on the grand scale.

It must be remembered that in this year scarcely a drop of water fell in the Saskatchewan wheat-growing area. This writer cannot recall one shower of rain in the entire period between the spring break-up and the following winter. The sickly wheat plants thrust their heads stubbornly through the parched ground, withered and died. That was the year of "national calamity," when even livestock had to be moved into districts where feed was available. It is against such disastrous years as this that the west now realizes adequate reserves must be built up—wheat for seed and feed for livestock. Westerners know that these "bad" years will recur occasionally. But they hope to be able to cope with them themselves in the not-too-far-distant future. They do not regard federal government aid as a "dole," to be continued forever.

No More Dust-Bowl

There is ample evidence that these "basic adjustments" are being made. The new rust-resistant wheat, Thatcher, has conquered one of the deadly menaces to the western farmer's prosperity, one that in 1935 ruined what would have been a splendid crop. George Spence, P.F.R.A. director, with headquarters in Regina, declared some years ago that the "dust bowl" no longer existed in Western Canada and that wind erosion in the worst areas and soil drifting on the better lands had been controlled. Since then fine progress has been made in the conquest of the prairie farmer's problems. Community pastures, irrigation plans ranging from the individual dugout to the community dam and wider-scale projects even than this, better methods of working the land, removal of farmers from poor land to more productive areas, are only a few of the P.F.R.A.-sponsored schemes that are changing the complexion of the prairie agricultural economy.

The west is working out its own answer to such unkind critics as Premier Hepburn, who got into Western Canada's hair pretty badly a few years ago when he said that his Ontario was through being a "milk cow" for the west. One good result of that intemperate outburst, however, was that it led to a very definite crystallization of opinion on the case for the west, expression of which in many instances must have given the Ontario premier's ears just cause to burn. It was one of the direct causes of the secession move which formed a lively topic for debate at the 1938 convention of the United Farmers of Canada, Saskatchewan Section, but which a year later died a natural death due to the outbreak of war.

Mr. Hepburn's criticism that the west had become a bottomless sink, into which Eastern Canada's money was being poured without possibility of return, was met by the western argument that the Dominion's national policy, mainly a protective one, was designed to benefit the industrial east at the expense of the western farmer and that it took no account of the fact that for several decades on from the turn of the century a steadily-expanding west had enormously enriched the financial east.

Fair National Policies

On the national economy point the west's case was presented most ably by Mr. Justice T. C. Davis, now Deputy Minister of National War Services at Ottawa, who, as Saskatchewan Attorney General, presented his province's brief to the Dominion-provincial commission.

Addressing a Toronto audience on the U.F.C. secession move, which he



The enemy are starting to use their second line planes, Sir!

—Morrow

opposed personally, Mr. Davis said:

"I wish to stress that this movement is not just the foolish vaporings of a few misguided individuals, but is expounded for the purpose of bringing forcibly to the attention of other parts of Canada the fact that there must be a change in national policies if there is to be unity in this Dominion."

If a united Canada was to remain the desire of Canadians, there must be "reconciliation and compromise" between the opposing viewpoints of east and west, declared Mr. Davis. Absolute free trade would harm the east. High tariff policies were harming the west. If unity was to be maintained, a middle course was indicated. "We simply cannot continue to exist selling in a free trade market and buying in a protected one," was the way Mr. Davis summed it up. And, in words that practically foreshadowed what was to be recommended in the Sirois report:

National Fruits

"If the national policy, as for instance the protective tariff, operates to the accidental advantage of one section, so also must the fruits of such policy be employed nationally, and it would seem to follow as a corollary that the sections which bear the burden of the tariff should get the benefit of other national policies . . . if national policies give certain sections an advantage, so also must other national policies be directed to the relief of areas which have suffered."

Mr. Davis also quoted statistics to show how industrial payrolls, salaries, wages and invested capital had increased in Eastern Canada coincident with the opening up of the west.

And on the tariff issue Dean F. C. Cronkite, of the University of Saskatchewan, who helped prepare the provincial brief for presentation to the Dominion-provincial commission, quoted figures to the effect that Ontario had obtained a benefit of \$15 per capita annually from the operation of the tariff, while Quebec benefited to the extent of \$11.50 a person. At the same time, he contended that Saskatchewan had been mulcted to the extent of \$26 per capita per year, with other western provinces victimized to a lesser extent.

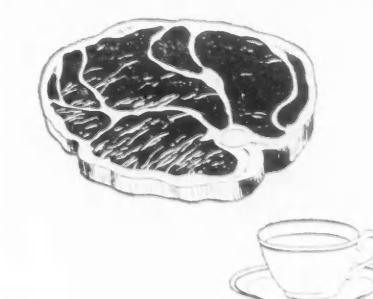
Hon. Mr. Gardner sprang to the defence of Western Canada with the statement that the wheat industry had for the most part carried itself over trying periods of marketing and production. Only a limited amount of money had been spent in the last ten years (1928-38) in fighting pests and rust, foes of the grain crop, not nearly so much as had been spent in controlling disease among livestock, notably T.B. in cattle, and which ex-



"There goes the new head of our mortgage department."

—Morrow

"BEEF STEAK SERVED IN A TEA CUP"



would be unusual

BUT:

You can enjoy beefy flavour and goodness in stimulating

HOT

BOVRIL

40-20

RICH BEEF GOODNESS

MUSICAL EVENTS

Handel's "Messiah" Again

BY HECTOR CHARLESWORTH

TO MUSIC lovers of the older generation Christmastide does not seem quite the same as it used to be, lacking a presentation of Handel's "Messiah." In the earlier years of Canada's musical history the "Messiah" was an institutional part of the celebration; but for reasons more or less obscure the work has been neglected for the last two decades, although by all accounts it was still flourishing like the green bay tree in the North of England up to the outbreak of the present war.

On Christmas Day the Canadian Broadcasting Corporation was happily inspired to give an abridged but impressive version, sung by the Mendelssohn Choir of Toronto, under the direction of Dr. H. A. Fricker. It was much more than a local event, because many listeners all over Canada and in the United States heard it.

Handel's masterpiece is so much a matter of tradition with English-speaking people that they perhaps do not pause to consider its actual importance. Strangely enough it has fallen to an Austrian historian, Stefan Zweig, to emphasize the historical significance of the oratorio. In his recent book, "The Tide of Fortune: Twelve Historical Miniatures," he tells in detail the story of how "Messiah" came into being; of the

weeks of incubation, when Handel lived as in a dream. In a group of essays which deal with events like the discovery of the Pacific Ocean and the laying of the first Atlantic cable, the emphasis laid on "Messiah" constitutes an amazing tribute.

There is probably no contemporary conductor who by sympathy and experience knows more about the traditions of "Messiah" than Dr. Fricker; and the tonal beauty and expression of his choristers were superb. The thrilling brilliance of the soprano of the Mendelssohn Choir is proverbial; but on this occasion altos, tenors and basses showed a broader quality than when Brahms' "Song of Destiny" was rendered in November. The Hallelujah Chorus was of course the chief test and it was magnificently met. Throughout the enunciation was unusually clear and refined; and the singers were supported by a really fine orchestra. In the abridged version the male soloists seemed to have the better opportunity. The warm, pure tones of the tenor, William Morton, were especially appealing. Eric Tredwell was also impressive in the bass solos and revealed a noble declamatory style. The vocal quality of Frances James, soprano, and Evelyn Kilby, contralto, was also excellent.

Another important incident of the holidays was a broadcast on Dec. 27 of Pierne's "Children's Crusade," which in 1902 speedily leaped into world favor. Though different in form from the older type of oratorio, it is the only modern work in this field which makes the same popular appeal as the masterpieces of Handel and Mendelssohn. I understand that "The Children's Crusade" in its entirety will be a feature of the Montreal Musical Festival next June, so that this broadcast was a fore-taste. The production was arranged by Jean-Marie Beaudet, C.B.C.'s Quebec regional representative, and the chorus was under the direction of Victor Brault, who has in the past rendered brilliant service in his productions of other modern French choral and operatic works. An admirable orchestra was provided and the soloists included five distinguished French-Canadian singers, Jeanne Desjardins, Rose Comete-Morin, Gabrielle Parrot, Pierre Vidor and David Rochette.

Lincoln and Verdi

December broadcasts from the Metropolitan Opera House included revivals of three old works of the Italian repertoire, that were once familiar to all lovers of opera. Until the recent revivals they were known to the present-day public only through a few "gems" occasionally sung on the concert platform. Those who knew Donizetti only through "Lucia" were unaware that he ranked with Mozart and Rossini as a great composer of light opera. "Don Pasquale" and "The Daughter of the Regiment" are sufficient evidence of this fact. Despite its lightness and gaiety, much of the music of Donizetti is diabolically difficult to sing, the probable reason why his works have been neglected.

Another notable revival was Verdi's "Un Ballo in Maschera," produced in 1859, six years after "Trovatore," and one of the last works of Verdi's early period, when he was cloaking blood-and-thunder melodrama with glorious melodies. The famous aria "Eri Tu" has survived, and the recent revival showed that despite the egregious rubbish of its plot the opera contains other fine music. The libretto was somewhat saner as originally planned, since it dealt with the assassination of Gustavus III of Sweden. In the Italy of 1859 it was considered "subversive" to present on the stage the assassination of an actual monarch, so the scene was changed to colonial Boston and Gustavus III transformed into an imaginary British governor, the Earl of Warwick. Verdi had had



MIECZYSŁAW MUNZ, Polish pianist, who will be guest artist with the Toronto Symphony Orchestra at Massey Hall, Toronto, on Tuesday, January 7.

a similar experience some years earlier, with an opera founded on Victor Hugo's "Le Roi S'Amuse," of which Francis I was the main character. To meet a censorship which objected to monarchs being held up to reprobation, the amorous King was changed into an imaginary Duke. It was a convention of censors at that time that stage monarchs must be chaste.

"Un Ballo in Maschera" used to be a standby with traveling opera companies in America, and there is an historic incident in connection with the work. In February, 1860, Abraham Lincoln, who had been elected President in the previous November, made a triumphal progress from Springfield, Ill., to Washington. The Lincolns were great theatre-goers when opportunity permitted it. On this triumphal journey they attended several entertainments at various points, and the culminating event was a gala performance at the Academy of Music, New York, of Verdi's new opera "Un Ballo in Maschera," which was attended by Lincoln. The impresario and conductor was Signor Muzio and the featured singer was Brignoli, one of the greatest of all tenors. Muzio could hardly have made a worse choice, for the plot deals with the assassination of a ruler; and Lincoln had been threatened with death ever since his election. He did not understand Italian, but the meaning of the libretto was clear enough. Nobody will ever know whether he felt the dénouement to be prophetic of his own fate. Mrs. Lincoln was not with him at this performance because of social engagements elsewhere; but in the afternoon she had been entertained in a different way. She had sat in the theatre of Barnum's Museum with the great P. T. himself, witnessing a presentation of Wilkie Collins' "Woman in White."

AT THE THEATRE

This One is Really Musical

BY LUCY VAN GOGH

"NIGHT of Love," the Viennese musical comedy currently occupying the stage at the Royal Alexandra, has all the charm that used to be peculiar to that ancient capital before Hitlerism wrapped everything in its brown shirt of uniform misery—the charm of which the same composer's "Zwei Herzen in Dreiviertel Takt" gave lovers of the European film such a vivid glimpse a decade or more ago.

Helen Gleason, the Metropolitan Opera star who has the leading soprano role, takes this reviewer back to the days of Fritz Scheff, which is unfortunately so far back that it probably means nothing to the great majority of current theatre-goers, her greatest success having been attained in "Mlle. Modiste" in 1905. (It is true that she revived it in 1929, but revivals are never quite the same thing again.) Miss Gleason is that rare bird, a real grand opera soprano with a complete mastery of all the technique of that art, combined with a most delicate and refined comedy sense, and a most ingratiating personality. Her voice is mellow and satisfying and is at all times perfectly managed.

John Lodge is vocally and physically impressive as the irresistible lover, and Marguerite Namara does brilliant work as a veteran prima donna. There is some excellent eccentric dancing, and the music throughout is sung for its full value.

But there is a fly in the ointment. The fly is Mr. Rowland Leigh, the American adapter. Or rather it is the whole condition of things which makes American adapters necessary for Viennese operettas. The transfer of what should be a light fantastic story half muffled in music, into a blatant piece of Broadway wisecracking and suggestive comedy is a sadening business, and all one can do is listen to the music and forget it.

Meat for the Varsity

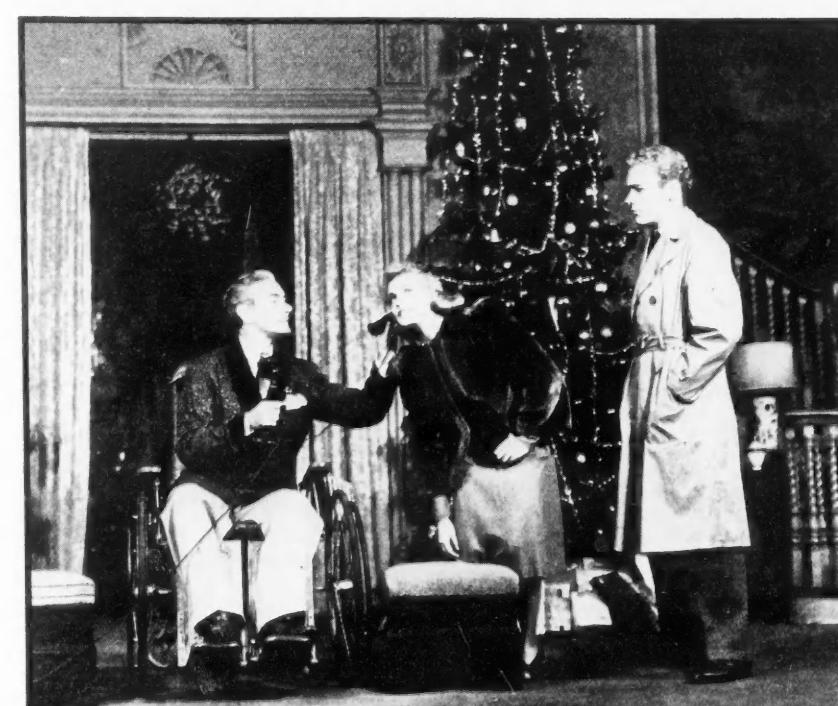
By what extraordinary piece of ill luck or poor judgment the New York booking offices managed to send "The Male Animal" to Toronto for the last half of Christmas week will probably never be known. The piece should obviously never play in a university town when the university is not in session. Booked here at the proper time, this amazing combination of farce and comedy and propaganda drama by James Thurber, the cartoonist, and Elliott Nugent, who acts the leading role, would have been a "must" for every undergraduate in President Cody's

domain. The University's C.C.F. Club, which last month was refused permission to listen to the C.C.F. provincial leader on university property, could have had a theatre night, with Professor Underhill as guest of honor in the right-hand box, and with Prime Minister Hepburn and Governor George McCullagh invited to attend but declining to do so. The thing would have been a knock-out, and even the critic of the *Daily Varsity* would have been compelled to say a few kind words about a Royal Alexandra production for fear of being supposed to be in the pay of the university authorities.

For "The Male Animal" is a Thurber cartoon, marvellously dolled up with theatrical effects by Mr. Nugent, depicting the continuous campus conflict between academic freedom and the tyranny of the rich alumni. To this is added the equally continuous conflict between the intellectual and the athletic male for the love of the eternal female; and Mr. Nugent has written himself a part in which he plays the suffering hero for nearly three acts in both conflicts and emerges victorious at the last minute with equal glory in both.

Considering the profound seriousness of the underlying theme, which reaches its climax in the reading, in the best professorial style and with studious avoidance of dramatic effectiveness, of the famous Vanzetti letter written shortly before execution, the play is unbelievably funny or rather what is unbelievable is that its exquisite funniness enhances rather than detracts from the value of its serious intellectual appeal.

The fundamental plot is immemorially ancient, but the variations and decorations are in the best 1940 *New Yorker* style, absolutely novel and highly clever. To a large extent the caricature, like much of Mr. Thurber's cartooning, succeeds by the very unusual means of under-statement rather than over-statement. The lines are delivered by a cast whose selection and rehearsing reflect the highest credit upon Mr. Herman Shumlin, who does his own staging. This critic deeply regrets that the performance reached Saturday Night while it was still in town, and that all she could do about it was to telephone a large number of her friends and tell them not to miss it. The same reason makes it inadvisable to devote much space to mentioning the various performers, but it must be recorded that Elizabeth Love, as the wife of the much persecuted professor, did several excellent hysterical scenes (hysterics seem to be coming right back into the drama again, after an absence of nearly a quarter of a century), and that Mr. Ivan Simpson was a perfect Dean and Mr. Robert Scott did a lovely job as the editor of the undergraduate newspaper who regarded himself not as a communist but as an unconfused liberal.



Clifton Webb is here shown in a scene from *The Man Who Came To Dinner*, the comedy based upon the eccentricities of Alexander Woollcott, which comes to the Royal Alexandra Theatre, Toronto, on January 6.

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"THE BACK PAGE"

How To Make \$100 An Hour

BY EDWARD A. McCOURT

TO THOSE of us who are feeling the economic pinch, the current advertising campaign which heralds the publication of "How To Increase Your Brain Power," by Dr. Donald A. Laird, Ph.D., Sc.D., is of more than passing interest. In fact, the challenging declaration: "That hour you wasted before supper was worth \$100..." shocks us into eager, wide-

eyed attention. If the statement is true, then the most conservative estimate of the number of before-supper hours which we have frittered away—in our bath or in the garden—reveals that we have already lost a tidy fortune. Happily, Dr. Laird is ready to tell us how we may utilize positively the enormous amount of brain-power which has

hitherto been leaking away during that somnolent hour-before-supper. "How To Increase Your Brain Power," according to the publishers' announcement, is a revelation of "brain-power secrets which have been discovered and tested by psychologists of the University of Chicago as the result of a six-years' research on the subject."

Dr. Laird's thesis appears to be based on the discovery that the human brain contains an "idea-department," naturally healthy, which atrophies through lack of use. We are not told when the decay begins. But Dr. Laird has a message of hope for even the most atrophied. No matter how long our notions-department has been neglected, *with use it improves*. (The italics are the publishers'). It is Dr. Laird's mission to show how that improvement may be brought about. No doubt the good man fondly dreams of the time when that wasted hour-before-supper may become the national Idea-Hour, after which each of us will go happily to his soup, \$100 the richer.

WE HAVE not yet bought our copy of "How To Increase Your Brain Power," although we need \$100. Right now we get more than \$100 worth of pleasure out of just thinking about the possible contents of the book. We are guided in our speculations by the publishers' assertion that it is the only book that tells us how to: (1) Double Our Memory—six exercises and four techniques; (2) Increase Our Verbal Fluency—three exercises (probably to be taken as a chaser to Dale Carnegie); (3) Speed Up Our Perceptions—nine exercises; (4) Learn To Handle Numbers—eight exercises. (This sounds vaguely suggestive but we suspect that Dr. Laird is just innocent); (5) Get New Ideas—two exercises. (Since it is the idea that pays, two exercises seem rather inadequate. However, the other exercises and techniques are no doubt idea-promoting in themselves). (6) Remember Names—three simple little tricks that accomplish wonders.

ONE chilling doubt depresses us. The idea which we conceive in the quietness of the before-supper hour may be *worth \$100*, but will we be able to *get \$100* for it? Only too clearly do we visualize the scene after the birth of the idea. Strong in the pride of paternity we approach someone who we know has \$100. We explain to him that just before supper, while we were practising the Third Technique of the Double Your Memory Series an Idea came to us. The Idea is worth \$100. But at this point our prospective purchaser interrupts us. He, too, has had an Idea. It came to him during Exercise Five of the Learn To Handle Numbers Series. The Idea is worth \$100.... There is no need to elaborate. We recall only too vividly the appalling deadlocks that occurred whenever two ardent Dale Carnegie disciples attempted to get together on anything. Grimly determined to see things from the other fellow's point of view, they would simultaneously change sides. The inevitable result was a spirit of frustration, bitterness and hate. It almost looks as if "How To Increase Your Brain Power" is going to give rise to a parallel problem. We will all have ideas worth \$100 to sell, but none of us will be interested in buying.

BUT Dr. Laird is more subtle than we suspected; he is, indeed, equal to the emergency. "How To Increase Your Brain Power" is not only Self-Teaching but *Self-Testing*. In other words, *the only man who can test the value of an idea is the man who thinks it up*. So Dr. Laird's dream becomes, even in our rather cynical eyes, something more than mere fantasy. Indeed, looking into the future, we see ourselves sitting down to our supper, surrounded by our admiring family, who question us respectfully about our Idea For the Day. We answer absent-mindedly, a complacent smile playing about our lips. In our pocketbook there is a cheque for \$100. It is payable to, and signed by, ourselves. The Idea has survived the most rigid test that human ingenuity has devised. In fact, it has proved to be self-testing.



The Way to Unity

A SIGNIFICANT event occurred at the annual meeting of the Bank of Montreal a few weeks ago, and evoked an even more significant comment. The president of the Bank, Mr. Huntly R. Drummond, included in his presidential address several paragraphs on the subject of the patriotism of the French-Canadians, and delivered these paragraphs in the French language. Commenting on this unusual (in recent years) event, an editorial writer in *Le Devoir*, whom from the initials we take to be Mr. Louis Dupire, has written the following, after quoting the words of Mr. Drummond's French passage:

"This is believed to constitute a new precedent for a Bank of Montreal annual meeting; although it is possible that the same language was heard often enough at the time of the Bank's origin, since it had then for its first vice-president Mr. Joseph Masson, member of the Legislative Council, who learned English only after he came from Ste. Rose to Montreal at the age of twenty, bundle on shoulder, to make his fortune.

"The sympathy between the Scotch and the French, which dates from the period of Mary Stuart, was quite naturally transplanted to the French part of Canada.

"The Drummond family has shown a particular desire to know and understand its neighbors of the other race. I shall never lose from memory the picture of that fine and manly youth, Guy Bedford Drummond, who was killed in the second battle of Ypres in the first World War. Guy Drummond had accepted the post of

assistant organizer of the Conservatives in 1911. As a reporter I had frequent occasion to visit his office, where one was always sure of a courteous reception from the 'grand seigneur' who occupied it. When we first met, I naturally addressed him in English. I have not forgotten his reply, uttered in perfect French: 'You want the English-speaking Canadians to speak your language. Why not address them in French? At times they will be unable to answer you, and they will be confused. So much the worse for them. At times they will be able to continue the conversation in French, and they have great need of such opportunities for perfecting themselves in it, since they obviously cannot do so in their own circles.'

"Guy Drummond was the half-brother of Mr. Huntly R. Drummond. His mother, Lady Drummond, has never given up her interest in the affairs of French Canada. I recall many occasions, during my visits to Albert Lozeau, the crippled poet, when he spoke, with the restrained emotion which was characteristic of him, about the evidences of interest which Lady Drummond had shown in his work.

"The moral of all this was drawn for me lately by a friend: If all the great families of the English-speaking element had shown the same breadth of view and the same sympathetic understanding as the Drummonds in regard to their French fellow-citizens, the clashes between the two racial groups, while perhaps they would never have been wholly abolished, would certainly have been far less bitter."

THE OLD BARRACKS

Inspired by the plan to erect bungalows on the priceless parade-ground of the old Wellington Barracks, Halifax, N.S.

THE lights are disappearing one by one.
The bugle's last few notes have died away;
If soldiers' work is ever done,
It now records another day.
Strange quiet holds the barrack square
And black the buildings stand around;
The sentry rests — lest marching there
Be heresy of sound.

And what are these, from shadow dim
Of corridor and colonnade,
The sentry sees approaching him
And taking post as on parade?
They do not shift or question ask
These ghosts of earlier day
Whose wont was to perform their task
With stateliness and calm display.

No vapor fumes or grinding gear
Or clacking interference
Besmirched the pride they fostered
here
In conduct and appearance.
Light music touched their sheltered life,
And color added beauty.
To pass the years till coming strife
Should call to sterner duty.
Small wonder that they pause so long to view
On worthiness and grandeur such as this
The home of all they loved and knew
To them "Reveille" means "Dismiss."
Indifferent hands will now create
Where never buildings stood before,
And ghosts pass through the barrack-gate
Embittered by the war.

WILFRID HEIGHTINGTON.

YOUR EYES DESERVE THE BEST . . .

That's why you instinctively think of EATON'S OPTICAL DEPARTMENT when your eyes need checking—for here you know that qualified and skilled optometrists, modern equipment and quality materials only are at your command! And, in keeping with these EATON standards of service, are the EATON BRANDED LINE SPECTACLES... precision-made, style-right, the lenses (corrected single vision or Deluxe Bifocal) all ground in our own modernly equipped factory to your individual requirements—and the prices are moderate.

Mayfair lightweight style for women
chased gold-filled mounting and 10K gold spring.

Eatonia rimless styles with chased gold-filled mounting and 10K gold spring.

Birkdale men's style rimless, gold-filled throughout.

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SATURDAY NIGHT, TORONTO, CANADA, JANUARY 4, 1941

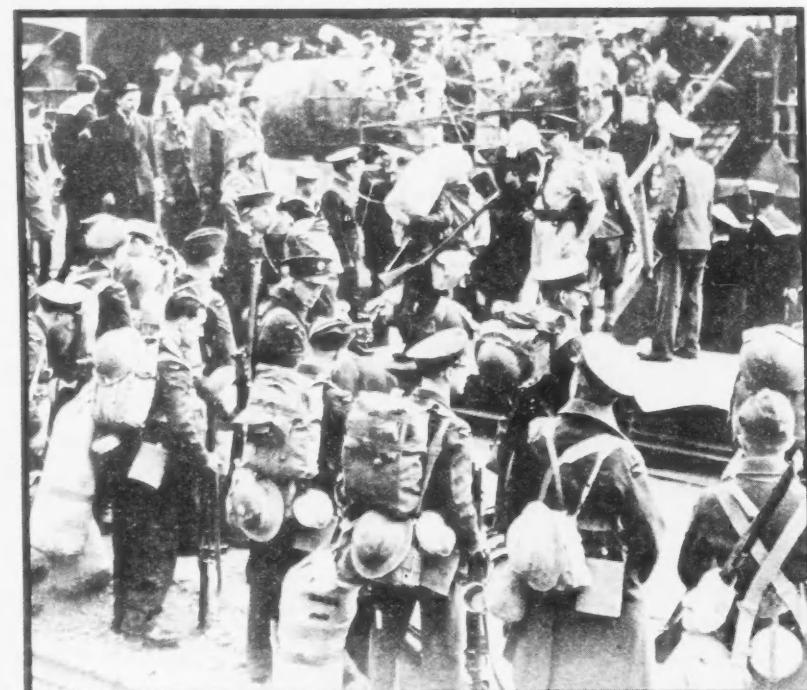
P. M. Richards, Financial Editor

January

The Prospect for Common Stocks in Wartime



British troops in Greece. The officer in the centre of the picture is General Sir Archibald Wavell, O.C. the British Middle East Army. Last week the Greeks and British bottled up the important Albanian towns of Palermo, Tepeleni and Klisura, threatened the entire Italian defences.



The first contingent of the Royal Air Force lands in Greece. The Royal Air Force, working in collaboration with the Navy and Greek and British land forces has added to its laurels. Last week the Fleet was bombarding Valona, one of Italy's last two coastal bases in Albania.



Italian prisoners taken in the "invasion" of Greece. Neutral observers report that while Italian officers express confidence in and loyalty to Mussolini, the Italian soldier is spiritless, ragged and miserable, that from the latter they repeatedly heard "We've had enough."

BY HENRY C. CURRIE

THE Canadian investor who has followed the policy of placing part of his funds in common stocks is at present faced with a particularly difficult problem. Judging by market action he seemed to feel in September, 1939, that stocks provided an attractive investment medium for the period of the war. Since that time, also judging by the market, he appears to have become somewhat less certain.

On the first trading day following the outbreak of war, the stock markets in Toronto and Montreal began a vigorous upward movement which came to a halt a few weeks later when an increase of no less than 26% had been recorded in the index of industrial stocks, the prices of gold mining shares had advanced by 5% and those of base-metal stocks by 10%.

During the following seven months, however, comparatively small changes occurred market-wise and it was not until the war began in earnest last Spring that any decisive action took place in prices of equities. The sharp break in quotations which began on April 30 and carried through to the market session of June 27 resulted in prices falling back to about 16% below their pre-war levels. A further period of inactivity, with prices

exhibiting a generally upward trend, then developed and continued for about five and a half months.

Two days after the recent elections in the United States the Canadian stock markets, out of sympathy with that of New York, rose sharply for a brief period but quotations have since declined to about the levels prevailing prior to the voting.

Thus, after sixteen months of war, prices of Canadian stocks do not differ markedly from those recorded immediately preceding the outbreak of actual hostilities. On December 24, 1940, the index of thirty industrial issues on the Toronto market stood at 100.36 as against 102.87 on August 31, 1939, while the index of gold mines reached 108.30 as compared with 109.56 almost a year and a quarter earlier. At the present time the prices of base metal stocks are about 19% lower on the average

than immediately prior to the war.

It is of interest to recall the action of the stock market during the early months of the first Great War. Investors will remember that on the declaration of war in August, 1914, markets all over the world, including those in Canada, broke sharply and after a very few days trading was suspended. Toward the year-end the governors of the New York Stock Exchange felt that public temperament had stabilized sufficiently to permit the resumption of dealings and accordingly the market was reopened. Canadian exchanges shortly followed suit. Almost immediately there began a long upward swing in prices which was to reach a peak in July, 1920, at almost double the pre-war level.

While statistics comparable to those given above for recent months are not available for the earlier

THE BUSINESS ANGLE

Is Britain Going Socialist?

BY P. M. RICHARDS

U.S. Ambassador Joe Kennedy, you remember, was recently reported as saying that democracy was dead in Britain, no matter who won the war. He had in mind the steady extension of government controls and the probability of their continuation after the war. Though the masses of the British people don't think that democracy is dead, there is abundant evidence that they believe that the old pre-war economic and social system is.

In fact, British belief in the inevitability of a new and better system after the war is one of the big factors supporting British morale in the present crisis. The people are encouraged in that belief by all the war leaders. Churchill himself has said that a post-war aim must be to establish a state of society in which "the advantages and privileges which hitherto have been enjoyed by the few shall be far more widely shared", and Churchill is undoubtedly sincere in this.

In contrast to the experience after 1918, far-reaching social changes are virtually assured this time by two facts: that the civilians as well as the fighting forces are in this war and suffering, and that respect for the former "ruling classes" has been largely killed by recognition of Britain's unpreparedness and general muddling at the beginning of the war. If war affairs could be so mismanaged, why not the affairs of peace? Was all the pre-war depression and suffering really necessary? Anyway, the indications are that the people are going to fire the "ruling classes" and run things themselves, or try to.

Not Revolution-Minded

Oddly enough, this prospect seems to be more frightening to conservative-minded onlookers on this continent than it is to the about-to-be-dispossessed privileged classes in Britain. No doubt the reason is that the latter understand the psychology of the situation much better than we do. They know that the British masses are not revolution-minded, as the word revolution is commonly understood; that the processes of change will be orderly and that there will be a real endeavor to achieve a workable system.

What will these post-war changes amount to? Actually, there is reason to think that they will be far less extreme than some of us fear now. For one thing, it will be as obvious to a Labor government as to any other that British standards of living after the war will depend to a very considerable extent on

Britain's ability to sell her products abroad at remunerative prices. Britain is likely to have considerable difficulty in doing this, for the war will have lowered the living standards of other nations and reduced their ability to pay for imports, and there will be tremendous competition among exporting nations for such export business as is available.

Obviously, the nation which unduly increases production costs and therefore prices by a too-large expansion of social services and benefits will place itself in a poor competitive position in international trade. It is surely unreasonable to suppose that a nation as dependent upon export trade as England is will deliberately commit economic suicide. A trade unionist government headed by Ernest Bevin will be too wise to kill the foreign-trade goose that lays England's golden eggs.

Difficulties Common to All

The new feeling of kinship between the different classes, created by their common sufferings in war, also lessens the likelihood of extremism after the war. There is less class antagonism in Britain today than ever before. The difficulties of post-war international trade will be common to all as are the perils of the war today.

What form, then, will post-war socialism in Britain take? In what way will the post-war state differ from the pre-war? Well, taxes are certain to be as high as they can be whatever kind of government is in power, but they are that or nearly that already. Profits will be heavily taxed, but there is a definite limit to that process; carried beyond a certain point, not only the profits disappear but the business that produced them too. Trade-conscious Britain knows that. We may expect to see state socialism carried further, with perhaps the state taking over such services as banking and transport.

But, after all, the real social needs are greater production and distribution of goods and services, and the test will be whether state enterprise supplies these needs better than private enterprise does. If, with a partial abrogation of the profits system, there is still sufficient production, well and good; if not, the "new system" will itself be abrogated or at least modified.

This column's belief is that there will be less difference between post-war socialism and post-war capitalism than most people think now.



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Much of what was formerly considered waste is now being saved in England and converted into war material. Here are waste bins in London.

period, it may be noted that the average of an index of prices of thirty-one industrial stocks for July, 1914, stood at 34.3 (base 1926 = 100). In February, 1915, after the resumption of trading, the index had receded to an average of 32.8 but for December of that year, sixteen months after the beginning of the war, the index of prices of industrial stocks had advanced to 44.0, a gain of no less than 28% for the period.

Thus a gain of 28% for industrial stock prices in sixteen months of World War I, compares with a decline of about 2% in prices of industrial stocks from August 31, 1939, to December 24, 1940.*

This contrast in market action provides food for thought for the Canadian investor of today. He is now anxiously asking himself and his investment counsellor whether or not he is presently justified in buying or even holding common stocks in his portfolio. Obviously those who invested in a broad list of equities during the early months, or even years, of the previous war received a fair return for the "duration" and the opportunity of "bailing out" for a handsome profit before the deflationary period of the 'twenties. It reasonable to assume that these

*Using monthly averages for August, 1914, and the thirty days ended December 1940, the decline amounted to 7% as compared with an increase of 28% for the corresponding period of the War of 1914-18.



When this man found a basin in his bombed home, he stopped for a wash.

Consider such an example as this:

For simplicity's sake let us assume that in the past four years a company has earned \$1 per share on the average before Dominion income taxes and that normal income taxes over the period have reduced earnings for common stock to about \$0.85 per share. Now, suppose that in 1940 or 1941 business has improved sufficiently to permit earnings of the company to increase to \$3 per share before income taxes, a gain of 200%.

What will the present Dominion income and excess profits taxes cost the company? The management must calculate the taxes in two ways and pay whichever is the larger amount. The first method, which will be found to apply to companies showing more or less stable earnings in recent years, will be arrived at by taking 30% of net income. (This is double the corporation income tax rate in effect in 1939.) Under the second method the company must pay 18% normal income tax plus 75% of the amount by which earnings exceed the average for the four years ended 1939, after the deduction of the normal income tax on such excess.

Under method number one it will be seen that earnings of corporations which remain fairly stable will be heavily hit. Our hypothetical company, however, has shown a sharply increased income and taxes must be calculated under the second method. Thus normal Federal income tax will absorb \$0.54 per share while the excess profits tax will demand an additional \$1.23. When the taxes are paid the shareholder has left \$3 less \$1.77, or \$1.23. Therefore, while this organization's earnings before Dominion income and excess profits taxes have increased by 200%, taxes have held the gain in net to about 45%. Now an expansion of 200% in gross represents a not inconsiderable improvement in business. But if such a gain would mean an increase in net of only 45%, how much is the war going to be worth to the purchaser of stocks?

It is probable that any extra profits that may be made will be retained in the business against the arrival of the thin days which will almost certainly be encountered in the inevitable period of dislocation following the war. In other words, dividends may not be increased during the war years and in certain cases may even be reduced in order to pay taxes. Moreover, tax payments are likely to make such heavy demands on cash that, in order to maintain an adequate liquid position, dividend disbursements will not be enlarged. It is improbable that such a situation as this will stimulate a rise in the industrial stock market.

Inflation Outlook

War has long been associated with rising prices of stocks and commodities and increasing wages. But the economies of belligerents have not heretofore, in the early stages of conflict at least, been subjected to anything resembling the degree of control now exercised. In an economy in which price is no longer the "rationer," where supplies of commodities and services are allocated at fixed prices, where stable profit margins are maintained, where taxes on corporate and personal incomes are extremely high and where every investor's dollar is required to finance the battle in a word, where the full national effort is directed toward waging the war to the exclusion of all other objectives, inflation need not develop on a broad scale. And we have gone far along the road to this kind of a business structure in Canada and progress in that direction continues.

Are there as yet evidences of an inflation of prices? At the present time in Canada industrial production is about 8% above the previous peak reached in 1929 and, according to Mr. Howe, we are only a few months away from our maximum output of war materials. Yet it is difficult to discern any real evidence of the beginning of a serious spiraling of prices.

Taxes on corporate profits are now so high, and it is not impossible that rates will be increased as the war develops, that it appears that net earnings are unlikely to justify a very much higher market for stocks.

opportunities will be repeated during this conflict?

Present indications are that any repetition of investment history that is likely to occur will be distinguished by a lack of extremes as compared with the period of World War I. There appear to be good and sufficient reasons for believing that share markets will not advance sharply during this war.

A "Controlled" War

Economically speaking, this is a "controlled" war. This factor of "control," exercised by the Government through the wide range of authorities which it has established during the past sixteen months, is of the greatest importance to the investor in stocks. It means, in a phrase, that business big or small will not make much money out of the war if it is possible to prevent it. The regulation of business now in effect and which seems certain to prevail for the duration of the war at least, would have constituted intolerable interference in times of peace. An accepted fact today, however, it has effectively placed a ceiling on corporation "net for common" which will be difficult to raise.

The Government's economic effort appears to be directed along the lines of achieving the required expansion in industrial production within the framework of prices which existed prior to the outbreak of war. This is a difficult but not an impossible task. Controlling authorities have been established in almost every corner of the economic field and no doubt any small areas at present unoccupied will not long remain so when the need for such authority becomes clear.

From the point of view of the investor, the two factors which are of prime importance are (1) that when war contracts are let they are, by and large, placed at prices which will not yield exorbitant profits and (2) that corporation taxes are now at such a level that it will be difficult for management to show an increase in net income, after taxes, appreciably above the level of earnings recorded during the past four years.

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Consider such an example as this:

have also declined during the period. It is true that wholesale commodity prices have increased by about 15% and that the cost of living has risen by about 6½%, but the greater part of the rise occurred during the first five months after we became engaged in the conflict and to a considerable degree stability has since been apparent. Prices of non-ferrous metals, as a group, and of chemicals, both used extensively in production for war, advanced only 11% and 17% respectively from August, 1939, to October, 1940. In view of the tremendously increased demand for many commodities and the depreciation of 10% in the Canadian dollar, these price increases are moderate. Indeed, the level of wholesale prices is not yet any higher than during the period of active business in 1937.

What will the present Dominion income and excess profits taxes cost the company? The management must calculate the taxes in two ways and pay whichever is the larger amount. The first method, which will be found to apply to companies showing more or less stable earnings in recent years, will be arrived at by taking 30% of net income. (This is double the corporation income tax rate in effect in 1939.) Under the second method the company must pay 18% normal income tax plus 75% of the amount by which earnings exceed the average for the four years ended 1939, after the deduction of the normal income tax on such excess.

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GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

GENERAL STEEL WARES

Editor, Gold & Dross:

I am interested in putting some money into the market and was wondering what you think about the preferred stock of General Steel Wares. Do you think it has any worth at this time?

S. C. F., Vancouver, B.C.

Yes, I think it has considerable speculative attraction. General Steel Wares, Limited, is operating at capacity at the present time and I understand there is a possibility that additional plants may have to be built. Sales are running well ahead of those of one year ago and there are large backlog of unfilled government orders on the books. From the early part of the current year, government business accumulated until it accounted for nearly 15 per cent of the total sales volume.

Since the company has been doing well for the past several years, the excess profits tax should not prove too burdensome and I think you'll find that earnings for the year ending December 31, 1940, should compare favorably with the \$13.91 per preferred share shown in 1939. The financial position is satisfactory.

LA LUZ

Editor, Gold & Dross:

For some time I have read with much interest your Gold & Dross columns and would now like a little information about a gold property La Luz Mines, which I understand is controlled in Canada. Where is it located, what is the production rate, grade and how are the profit possibilities?

G. L. D., New York, N.Y.

La Luz Mines is located in the northeastern part of Nicaragua, Central America, and comprises a concession 12 miles long by two miles wide. The company is controlled by Ventures Limited, and Sudbury Basin Mines, with the latter controlled by Ventures. The first full



WILL IT SURVIVE?

year of operations completed September 30th last was most satisfactory. The mill which operated at an average of 500 tons daily is now at 900 tons and will be raised to 1,000 tons in January. The recovery was \$7.10 per ton and may rise. Cost for the next few years will remain low due to opencut mining operations.

The net profit for the year was \$607,863, equal to over 42 cents per share, hence, the profit margin at the higher milling rate should be substantial. It appears reasonable to expect the company to go on a dividend basis in 1941.

LEITCH

Editor, Gold & Dross:

Will you please offer an opinion on the following questions concerning Leitch Gold: (1) Why does this stock pay such a high yield? (2) Will the present dividend be maintained? (3) Is it a high-cost producer?

T. M. K., Burlington, Ont.

The present yield of Leitch Gold Mines is not exceptional as a large number of gold stocks return over ten per cent, with several even higher than Leitch. The veins while narrow are high-grade, with costs high, but the only unfavorable development in sight is the likelihood of the vertical continuity of the veins being interrupted by a diabase sill at about 1,850 feet.

Operating costs last year were \$19.29 per ounce, while total cost of producing an ounce of gold was \$23.07, and average recovery \$25.14 per ton. A good profit is being made considering the milling rate is only 85 tons daily, and dividends can likely be maintained unless there are unanticipated tax increases. The company has ample working capital.

Cost of sinking through the diabase sill, which is expected to be about 500 feet thick, will be approximately \$50,000. At the neighboring Northern Empire property the vein was picked up below the sill. Ore reserves are estimated as sufficient for nearly four years and if present conditions persist to the sill, there should be some \$7,000,000 of recoverable gold from which a profit of around \$1.36 per share is possible. The shaft has been deepened to 1,650 feet and there are now five new levels on which to carry out development.

BRAZILIAN TRACTION

Editor, Gold & Dross:

It has been a long time now since I have seen any comment on Brazilian Traction, Light & Power. I would like to get your opinion as to the chance of the dividend being renewed and also what you think 1940 earnings will be. What do you think of the stock?

W. B. W., Toronto, Ont.

It is decidedly speculative. Brazilian Traction's earnings in 1940, will, I think you'll find, show a moderate falling off from 1939's \$1.30 per share and because of this and the uncertainty of the exchange situation, dividends aren't likely for some time to come. Brazilian economy has been thoroughly disrupted

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able life of the mine is still conjectural, the outlook appears excellent for some time. High grade ore is being opened in the No. 2 vein at the 1,100-foot level and this is interesting as the average grade in the No. 1 vein at that horizon was lower. The company is active in the search for another property to perpetuate the mine and was recently examining a mercury property in British Columbia.



As the night raids on London grow in intensity, English children are rushed to the country in ever-increasing numbers. This little evacuee finds that looking after the family luggage and the dog is a handful.

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GOLD & DROSS



DOMINION STORES

Editor, Gold & Dross:

Please give me what information you have on Dominion Stores and an estimate of 1940 earnings. How do you think this year will compare with 1939? Also, what do you think of the stock and do you think there's any chance of a dividend?

—E. H. G., Montreal, Que.

Not for some time to come. While costs and taxes are higher, the greater promotion of private brands, the relocation of stores and many operating economies resulting from higher sales are expected to add up to an improvement in earnings in 1940 over the deficit of 45 cents per share shown in 1939. I don't think you can reasonably expect sizable gains, but the trend should be moderately upward through 1941.

Dominion Stores is operating 380

"Greetings to Adolf" is printed on the card enclosed in this shell box.

BUSINESS AND MARKET FORECAST

BY HARUSPEX

The CYCLICAL or major direction of New York stock prices was last confirmed as downward. The SHORT-TERM movement was confirmed as upward on June 12 but is now undergoing test as to continuation.

THE STOCK MARKET TREND

In early June the stock market reversed its intermediate trend to an upward direction. This reversal was confirmed by this Forecast at the time. It coincided with evidences that Germany would not be able to immediately follow up her French successes by invasion of Britain and that the United States would enter on an extensive program of deficit expenditures for purposes of rearmament.

Subsequently an advance ensued carrying to early November, or about five months. Following the Presidential and Congressional elections in the U.S.A. this advance gave certain technical evidences, such as a number of days of excited trading and relatively high volumes of transactions, that it was culminating. These developments were anticipated in our Forecast of November 9 as a logical sequence to the elections and, when they were subsequently witnessed, normal limits to a corrective movement were then given. These normal limits were set at 128/121 on the Dow-Jones industrial average, 27/25 on the railroad average, contrasting with the early November peaks of 138 and 30, respectively.

RE-ESTABLISHMENT OF LONG POSITIONS

Once a market correction has dipped into its technical area, as occurred within the last week or so, when the industrial and rail averages sold at 128 and 27, respectively, there can be little assurance as to how deep it will penetrate into such area prior to reversal.

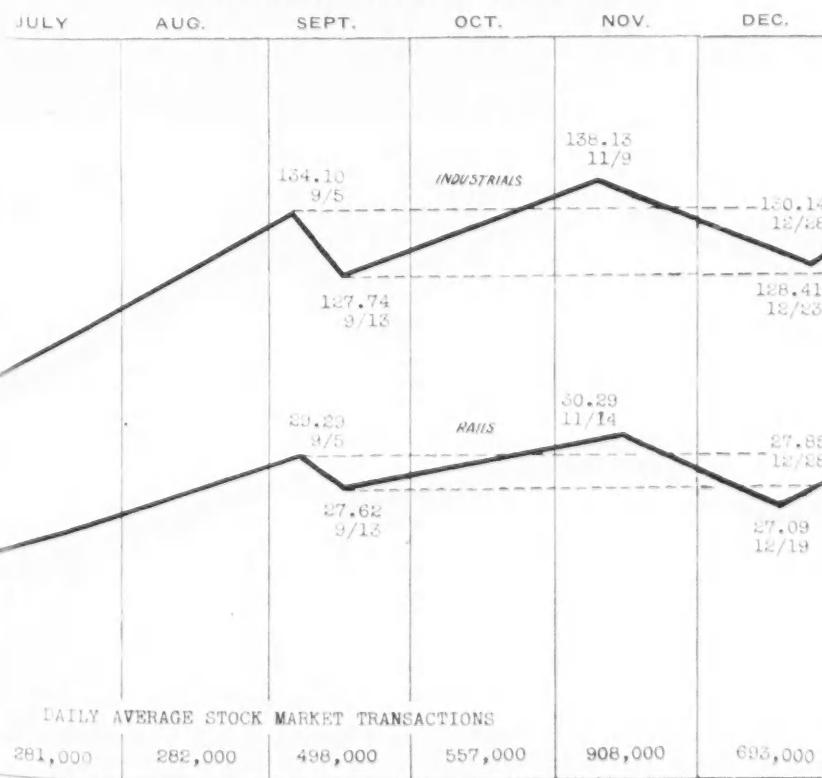
Under current conditions, with the fortunes of war both unpredictable and subject to major influence, and with a double bottom at the May/June lows not an impossible, even though an abnormal, expectancy, the best procedure, it seems to us, is to use market weakness for the gradual, rather than immediate, re-establishment of long positions, with attention particularly devoted to individually promising issues that, on a price basis, seem to have outdistanced the general market decline.

POINTS TO WATCH

So far, the correction has failed to indicate any change in the intermediate trend, which trend was confirmed as upward on June 12. A close in both the industrial and rail averages at or under 126.73 and 26.61 would signal reversal of such trend, however. The above mentioned closes would represent a decisive or other than fractional penetration on the downside of the line formation that has now been running for four months. In such event a move, at least to the 121 level on the industrial average, possibly to the early June lows, would be suggested.

From Christmas into January is normally a period of market advance. This development, if now to ensue, could furnish some test as to the market's underlying position.

DOW JONES STOCK AVERAGES



stores at the present time, all of them located in the more densely populated areas of Canada, and sales per store will undoubtedly improve as consumer purchasing power increases.

At the present time the stock has no more than average appeal.

EDGE CREEK

Editor, Gold & Dross:

I have heard reports recently that Edgecreek Gold Mines, in which I am a shareholder, was considering a deal for its property. Have you any definite information on this proposal?

—A. W. G., Stratford, Ont.

I understand Edgecreek Gold Mines has granted a working option on its property in the Beatty-Munro area to Transcontinental Resources Ltd., formerly Oro Plata Mining Corporation, but this, of course, is subject to approval of the shareholders, and a meeting is likely to be called shortly to secure their ratification.

Under the option terms, Transcontinental is required to expend at least \$12,000 within the next year on the Edgecreek property. Six months is allowed to make an examination and if results warrant it, a minimum of \$2,000 a month will be spent for the next six months. The option also provides for the formation of a new company, capitalized at 3,000,000 shares, to take over the property. Of these, Edgecreek will receive 600,000 vendor shares and an additional 400,000 will go to Transcontinental when it has purchased \$25,000 worth of the new company's shares.

FORD OF CANADA

Editor, Gold & Dross:

I have some Ford of Canada "A" stock and people keep after me to sell it because they say the company is going to take a beating. Would you sell or hold?

—D. R. C., Campbellton, N.B.

I would hold.

Sales of Ford of Canada will, I think, be substantial as long as the war lasts. Because of distortions caused by the war and the burden of heavier taxes, earnings prospects for 1940 and for some time ahead will be obscure. However, the company's financial position is strong and I think you can expect the \$1-per-share dividend to be continued.

Over 50 per cent of recent output has been accounted for by government orders and more are in prospect. So operating income should continue to be satisfactory, but, as I have already said, heavy taxes on Dominion operations plus limited subsidiary dividends will curtail net. Exports, other than the shipment of military units to the British Empire, will be greatly reduced.

The long term outlook continues good.

NATIONAL STEEL CAR

Editor, Gold & Dross:

I have some stock of National Steel Car and would like to have your opinion as to whether I should hold it or not. Do you think earnings will improve in 1940?

—E. G. K., Winnipeg, Man.

Yes. Earnings of National Steel Car should show a moderate improvement in 1940, although the extent of the improvement will depend upon special depreciation and amortization charges which were heavy in 1939-1940, as well as on heavier taxes. The large amount of ready money tied up in current production will probably limit dividends to \$2 per share for some time to come, but over the longer term some increase is likely. The stock has speculative appeal on the outlook for further earnings improvement.

At the present time National Steel Car is working on large aircraft orders which should be maintained for the duration of the war and for some time thereafter. Currently the backlog of railway orders is small, but some improvement is expected by early 1941.



Year End Valuations

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News of the Mines

BY J. A. MCRAE

THE demand for metal during 1941 promises to exceed any previous period in the history of the world. If the program envisaged in North America at the beginning of the year reaches the expected tempo, the consumption of metal will be so vast as to tax the resources of every mine in the western hemisphere.

The mechanization of armed forces would in itself have created great demand—but, now, comes the call for new ships in the largest possible numbers. As though that were not sufficient demand for the mines to meet comes the program of hundreds of thousands of new freight cars with which to speed up transportation facilities as well as great numbers of locomotives. In the field of new expenditures measured by many billions of dollars the use of metals is to play a leading role.

Malartic Goldfields, Ltd., produced a little over \$1,300,000 in gold during 1940. At the close of the year the mill was treating around 12,500 tons of ore per month.

Macassa Mines broke all records during the final quarter of 1940. Preliminary unofficial estimates prepared for SATURDAY NIGHT show output for the three months exceeded \$700,000. As a result of this, the production from Macassa Mines during 1940 rose to over \$2,660,000. At the close of the year the plant was treating close to 13,000 tons per month and recovery of gold was averaging around \$19 per ton.

Perron Gold Mines started off 1940 with production at around \$143,000 per month and ended the year with output close to an average of \$180,000 a month. Production for the closing three months of 1940 is unofficially estimated by SATURDAY NIGHT at over \$535,000.

Naybob Gold Mines is making good progress by reason of the marked improvement in the grade of ore. During 1940 the mill handled close to 57,000 tons of ore, and produced very close to \$560,000 in gold. The grade of ore at the close of 1940 was almost double that prevailing as an average during 1939. Recovery during the closing months of the year was not far under \$11 per ton.

Hoyle Gold Mines will go into production within three weeks, according to present rate of construction. The plant, designed for 400 tons, is expected to attain a rate of 500 tons daily. Through a process of eliminating waste rock from the ore stream, mill heads of over \$6 per ton are expected. On this basis an output of \$2500 to \$3000 per day would materialize. Preliminary estimates suggest operating costs of around \$3.50 per ton.

Slave Lake Gold Mines on Outpost Island at Slave Lake in the Northwest Territories has assembled all equipment for its new plant. The mill of 50 tons daily will go into regular production before the close of January. While the ore occurs in

small deposits, yet the gold content is high. Added to this is tungsten and copper to be recovered as by-products. This will make the third gold producer in the Northwest Territories.

Dividends paid by metal mines in Canada during 1940 reached \$104,700,000, setting the highest record in history. A big increase occurred in the number of dividend-paying companies. Whereas a total of 42 mining companies paid dividends four years ago, and the number had risen to 62 companies in 1939, it is significant to find 88 companies having disbursed dividends in 1940.

Negus Mines produced \$800,000 in 1940 according to preliminary estimates prepared for SATURDAY NIGHT. The ore yielded an average of over \$36 per ton.

Gold imports into the United States continue to decline, with the third week in December showing just \$16,334,183. What is regarded as significant in that period is reference to \$4,738,418 from Argentina and \$2,810,988 from Colombia. Chile also shipped \$775,127 in gold to the United States during the week. British-Canadian gold shipments were \$5,922,746.

Sylvanite Gold Mines produced upwards of \$2,600,000 in the year just closed. In the closing months of the year the monthly average was well over \$220,000.

Stabilized prices for the products of the mines, together with uniform costs was pretty well maintained throughout Canada during 1940. Tax imposts, however, were high. It is coming to be realized that in order to arrive at a reasonable price for metal, the amount of the tax imposts will have to be included in the cost sheet. As a matter of fact, the tax has become more of a fixture than has certain other items of cost.

An increase of \$6.34 an ounce in the price of gold would add nearly \$3,000,000 to the income of Hollinger Consolidated alone, and would increase the net profit of Lake Shore Mines by nearly \$2,000,000 a year or nearly \$1 per share annually.

Jason Mines produced \$70,448 in gold during November and showed an operating profit of \$35,201. The grade of ore averaged \$18.57 per ton.

Perron Gold Mines produced \$168,537 in gold during November, compared with \$128,125 in November 1939.

A survey of metal stores as well as facilities for producing copper, lead, zinc and other vital metals has been undertaken in the United States with a view toward elimination of any possible handicap to the construction of armament for the nation as well as in filling orders from Great Britain. It has been noted that the Japanese are intensifying their efforts to purchase copper in New York with a view toward securing quick delivery.



Viscount Halifax, who succeeds the late Lord Lothian as Ambassador to the United States. Six-feet-two-inches-tall devoutly religious Viscount Halifax was British Foreign Secretary under two Prime Ministers.

ABOUT INSURANCE

Meaning of "Total and Permanent" in Disability Clause

BY GEORGE GILBERT

In order to recover any benefit under the total and permanent disability clause in life policies, it would not be reasonable to presume that the insured must prove that he is and will remain totally and continuously disabled from performing any work for any kind of compensation for the rest of his life.

On the other hand, it was clearly not intended that the insured, in order to collect, should only have to prove a total disability of a transient or temporary nature. It is somewhere between these extremes that the intention expressed by the policy must be found.

TO HOLDERS of life insurance policies which provide certain benefits in the event of total and permanent disability, the question as to what constitutes "total and permanent disability" is one of more than academic interest.

In a recent case, action was taken to recover disability benefits under a life insurance policy issued by a prominent company. The contract provided that upon receipt by the company at its home office of due proof that the insured had while the contract was in full force "become totally and permanently disabled as the result of bodily injury or disease" — so as to be prevented thereby from engaging in any occupation and performing any work for compensation or profit, and that such disability has already continued uninterruptedly for a period of at least three months, the company would during the continuance of such disability waive the payment of each premium falling due under the contract and pay to the insured a monthly income of \$10 for each \$1,000 of insurance under the policy.

It was also provided that notwithstanding the company might have accepted the proof of disability as satisfactory, the insured should at any time on demand of the company furnish due proof of continuance of such disability, and if the insured should fail to furnish such proof, or if the insured should be able to perform any work or engage in any business whatever for compensation or profit, the monthly income therein provided should immediately cease

and all premiums thereafter falling due should be payable according to the terms of the contract.

It was not disputed that on July 23, 1933, the insured sustained severe injuries while driving a wagon; that he sustained a fracture of the left side of the pelvis, and two fractures on the right side of the pelvis; that he was in a plaster cast until September 6, 1933, and did not leave the hospital until October 15, 1933 and was afterwards treated at his home.

He was totally disabled from performing any work for compensation or profit for a period of a little more than fourteen months, after which he was given employment, doing a different type of work from that in which he was formerly engaged. Notice and proofs of total disability were furnished the company on November 18, 1933, but the company declined to pay anything, stating that it did not appear that the insured would be permanently totally prevented from performing all work.

On September 22, 1937, the insured again made demand upon the company for payment, and claim forms were filled out, showing that the insured had been totally disabled from July 23, 1933, to September 30, 1934. These proofs were forwarded to the company, together with a letter from the insured's lawyer, calling attention to the interpretation of the phrase "total and permanent disability" by the Missouri courts. The company, however, denied liability.

At the trial, judgment was given in favor of the insured, and the com-

(Continued on Page 31)

Forced Saving Is Inevitable

BY DONALD FIELDS

IN A speech in the House of Commons at Ottawa on November 26, last, Mr. D. C. Abbot advanced, according to Hansard, the following argument: Let us assume "we have a total output of \$4 billion, and the government takes \$1½ billion of that for war and ordinary administrative purposes. By the process of simple subtraction, this leaves available for civilian consumption, \$2½ billion.

"The national income will be the same as the national output, \$4 billion. Assume that the government takes \$1 billion in the form of taxation; then we have left \$3 billion. We have \$3 billion in the pockets or the bank accounts of the public, with available goods and services to the value of \$2½ billion to meet it. If the public refrains from trying to spend this extra \$500 million and saves it, of course the problem is solved, but if it does not, if it insists on spending it, the law of supply and demand will operate and prices will rise. In the case of the example I have given, the increase will be 20 per cent; if the public saves half, prices would rise 10 per cent."

The last part of the argument is fallacious and the fallacy is dangerous.

Supposing the government were to spend \$500 million on buying up the surplus stocks of wheat, apples, and other agricultural products, and were to send them to Britain and other Allies, the prices of wheat and apples, and so on, would certainly not rise. It would not matter what prices the government paid the producers; whether current market prices or any other prices above them. For the transaction would not affect the internal demand for those products, and once the holders of stocks were relieved of their stocks, they would with regard to new production face the old demand situation which means the old prices.

Of course, this does not solve the problem of the excess purchasing power of \$500 million, it only removes it one step further. For the question is now what agriculture, as a body, would do with the \$500 million purchasing power it has got into its hands. Mr. Abbot's premise was that the whole amount be spent, and his problem was what happened then to prices.

Supposing the farmers were to spend a large part of their new purchasing power on motor cars. They would then immediately compete with the Government in a market that is vital to the government. Thus one of the two competitors would have to offer higher prices for the cars they want to buy. It does not matter which of the two bids higher first. In any case prices must rise. The prices of coal and steel will be forced up by the competition of the motor car manufacturers; the same will happen to all articles for which coal and steel are needed; and in the end all prices will rise. The government would need more money and this would directly or indirectly lead to still higher production costs and higher prices all round.

Roundabout Way

Or agriculture as a body may invest a large part of its new purchasing power in urban property. This might force up the prices of such property and would eventually lead to higher rents. But in the meantime the people who sold the property would have command over the new purchasing power, and everything would depend on what they did with it. They might not buy motor cars, but something else that would only in a much longer roundabout way make all prices rise.

These examples may suffice to show the main point: that there is not the slightest connection whatever between the volume of excess purchasing power and the magnitude of the price rise it causes; and, further, that there is no connection between the fact that there exists excess purchasing power, and the time when prices will begin to rise. There

With full employment of an economy many new problems and dangers arise. The Canadian economy is rapidly approaching the state of full employment, and it is to be assumed that it will have reached it by about May next.

The Government has already taken a number of steps which anticipate that state. More steps, and more drastic measures will have to follow. The following article discusses some of the problems of full employment.

is, of course, no doubt that prices will rise.

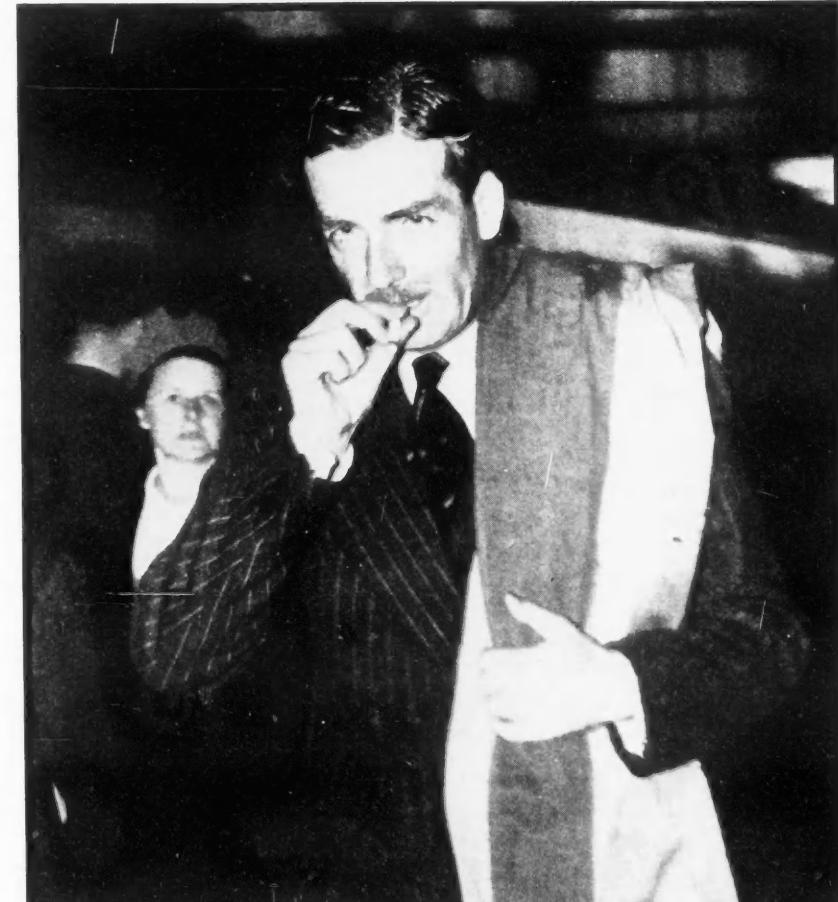
Now, the government of this country will not use a large part of its revenue to buy up agricultural surplus stocks as long as the war lasts. It is using its revenue for other direct war purposes. In the light of the foregoing it is obvious that this necessary policy must lead to a more immediate and greater price rise unless proper precautions are taken. Judging by what the Government has done so far there is no reason to doubt that these precautions will be taken.

May Retard Price Rise

If then there is no direct connection between the magnitude of excess purchasing power and the magnitude of the price rise, it is dangerous to rely on the notion that a price rise of that kind may be controlled. It cannot be controlled. On the other hand, it is possible, although no quantitative relation exists, to take measures with a view to retarding the price rise. Again in the light of the foregoing it is obvious that such a retardation could be achieved by diverting excess purchasing power into the channels where it does the least harm. Naturally it is impossible to do this without guidance and compulsion.

As it is, the bulk of the increase in purchasing power would naturally flow into uncontrolled channels. But it would not flow into such channels if the purchase by the government were coupled with the stipulation that part of the proceeds were to be invested in government loans. And this is nothing but the old proposal as old as this war of compulsory savings.

Mr. Abbot ended his speech by saying that he believed we shall have to resort to enforced savings if this war lasts long. It would be better to make this decision dependent not upon a more or less inaccurate forecast of the duration of the war, but upon the time at which our economy reaches full employment.



Anthony Eden, who succeeds Viscount Halifax as British Foreign Minister, a post which he resigned in February, 1938, as a protest against Prime Minister Chamberlain's appeasement policy. He was Minister of War.

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Your family looks to Father to provide for them. Even when he is unable to work, through illness or injury, he must not fail them. Wise fathers own our Health and Accident policies which pay a regular monthly income when they are disabled.

ADelaide 3166



HEAD OFFICE FOR CANADA
TORONTO
34 KING ST. EAST



ABSOLUTE SECURITY

W. R. HOUGHTON, MANAGER

The WAWANESA

Mutual Insurance Company

Assets Exceed \$2,600,000.00

Surplus 1,330,363.89

Dominion Govt. Deposit exceeds 1,000,000.00

Wawanese ranks 1st against all Companies operating in Canada on Net Fire Premiums Written according to Dominion figures for 1939.

Head Office: Wawanese, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton.—2,000 Agents Across Canada—

Established 1809

CANADA'S OLDEST INSURANCE COMPANY

THE

HALIFAX INSURANCE COMPANY

Cash Capital—\$2,000,000.00

HALIFAX, N.S.

HEAD OFFICE

Supervisory Office — 8 King St. W. — Toronto

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL—FULLY PAID \$2,000,000

A. & J. H. STODDART, General Agents

90 JOHN STREET

RISKS BOUND EVERYWHERE IN UNITED STATES AND CANADA

H. A. JOSELIN, MANAGER FOR CANADA—TORONTO

PROVINCIAL AGENTS

R. Y. HUNTER, MONTREAL
OSLER, HAMMOND and NANTON, Ltd., WINNIPEG
ALFRED J. BELL & CO., Ltd., HALIFAX, N.S.

FRANK R. and GEO. E. FAIRWEATHER, LTD., ST. JOHN, N.B.

TORONTO GENERAL AGENTS
MURPHY, LOVE, HAMILTON, and BASCOM, TORONTO

NEW YORK CITY

ABOUT INSURANCE

(Continued from Page 30)

pany appealed. On appeal, it was held by the St. Louis Court of Appeals, Missouri, that the contract must be construed as a whole, and if the policy is susceptible of two interpretations equally reasonable, that construction most favorable to the insured must be adopted, even though the insurance company intended otherwise.

What Was Contemplated

It was held that the provision of the contract that, if the insured should be able to perform any work or engage in any business whatsoever for compensation or profit, the monthly income therein provided should immediately cease, showed that the insurance company understood and intended when it made the contract that the "total and permanent" disability then contemplated might not last throughout the life of the insured.

Such provision, it was held, was wholly inconsistent with the contention that the disability of the insured in order to be "permanent" must continue throughout the rest of the natural life of the insured. Judgment of the trial court in favor of the insured was accordingly affirmed. A rehearing was denied October 22, 1940.

In another case under a policy with a similar disability clause, the insured, while the contract was in full force, became ill and physically incapacitated from doing any work from about April 29, 1935, until September 1, 1936, when he returned to his occupation. Proof of his disability was presented to the company on September 11, 1935, and demand made for payment of the disability benefits and waiver of the annual premium.

Both demands were refused by the company for two stated reasons: (1) No proof of a permanent disability had been filed, and (2) the disability was not permanent within the provisions of the policy because the insured eventually recovered from his illness. Proof submitted by the insured was on a form supplied by the company, and the printed question "How long do you expect total disability will continue?" was answered by the insured and the insured's physicians "Do not know." In this connection, the trial court in New York stated: "Mere total disability gives no right of recovery to the insured unless he files proof that he is in addition permanently disabled."

Why Recovery Denied

In this case recovery was denied to the insured on the ground that no factual proof was in the record, at the time the proof of claim was filed,

that showed either that insured's illness would continue perpetually or for such a length of time into the future that the end of the disability at the time of the filing of such proof could not be foreseen.

It could not be questioned, it was held, that the liability of the insurance company only matured upon the filing with it of a proof of claim showing permanent disability. But it was the opinion of the court that the word "permanent" as used in the policy of insurance must be given a rational and reasonable construction, and one which would make possible, under some circumstances, recovery thereunder. The insurance company did not insure the policyholder against mere temporary or transient or passing disability, it was pointed out, but it must have intended to insure him against a total disability which was more than temporary and yet less than eternal.

It may not be contended by any insurance company, the court said, that it has been accepting premiums without intending to give any corresponding benefit therefor. By the very nature of things, it pointed out, no one can definitely state as a fact that a total disability is permanent, if the word "permanent" is to be used in the sense of continuing forever until death. When the insurance company upon its printed form inquired whether the total disability was "temporary" or "permanent" it did not, it was held, sufficiently seek information which would as a matter of law determine its liability under the policy.

Inquiries

Editor, About Insurance:

I understand that there is some special exemption from succession duties in Ontario when the proceeds of life insurance policies are payable in the form of income instead of a lump sum. Can you inform me just what this exemption is and to whom it applies?

C. M. L. Windsor, Ont.

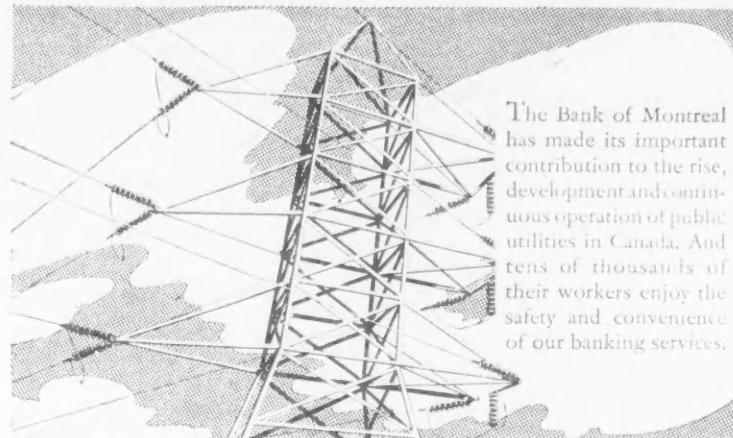
Under the Ontario Succession Duties Act, any non-commutable annuity income, or periodic payment, arranged by a person during his lifetime and payable to widow or dependent parent, brother, sister or child is exempt to the extent of \$1,200 per annum to any one person and \$2,400 per annum in the aggregate. It is to be borne in mind that in order to be entitled to exemption, the annuity or periodic payments must be arranged for before the death of the insured and that the payments must not be subject to commutation; also that the word "dependent" qualifies the words "parent," "brother," "sister" and "child."

Editor, About Insurance:

I have the privilege of obtaining some life insurance through the firm I work for under a group policy, the cost being lower than that of a separate policy taken out in the usual way. Is this insurance sound, and does it take the place of an individual policy on my life as protection for my family?

T. R. B., London, Ont.

Group life insurance is sound and is good as far as it goes, but it does not take the place of the individual policy as protection for one's family. It is a supplement to the individual policy and not a substitute for it. If you already have a policy on your life, do not drop it in order to take out insurance on the group plan, but if you can afford to take on the additional cover afforded by the group policy, by all means do so, as the cost is low and remains low as long as you remain in the employ of the firm. The cost is low because the insurance is on the term plan and not on the whole life, limited payment life or endowment plan. If you have no other insurance, and do not feel that you can finance an individual policy, I strongly advise you to take advantage of the insurance protection afforded by the group plan.



The Bank of Montreal has made its important contribution to the rise, development and continuous operation of public utilities in Canada. And tens of thousands of their workers enjoy the safety and convenience of our banking services.

Serving Canadians and their industries in every section of the community, we invite you to discuss YOUR banking requirements with us.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service ...the Outcome of 121 Years' Successful Operation

A118

1941

We look forward with confidence that all lines of Insurance will share in an improved prosperity in 1941.

NORWICH UNION FIRE INSURANCE SOCIETY LIMITED

HEAD OFFICE FOR CANADA, TORONTO

E. M. WHITLEY, General Manager for Canada

F. W. LAMONT, Asst. Manager

C. C. PAULL, Asst. Manager

Our 'MUTUAL' Plan Reduces FIRE INSURANCE Costs

LAST year this company's policyholders received \$1,531,487 in savings under the Northwestern Mutual plan. Careful selection and inspection of risks, co-operation in fire prevention and efficient management combine to reduce overhead costs to a minimum. You, too, should be participating in these benefits.

HOW THE NORTHWESTERN MUTUAL PLAN OPERATES.

PREMIUM

NET COST SAVINGS

(Above charts are approximate. Consult your nearest agent or branch office for rates and current savings.)

APPLICATIONS FOR AGENCIES INVITED

NORTHWESTERN MUTUAL FIRE ASSOCIATION

Assets: \$8,970,000



Canadian Head Office: Vancouver

THE Casualty Company of Canada HEAD OFFICE - TORONTO

AGENCY OPPORTUNITIES

IN SOME TERRITORIES THROUGHOUT CANADA

GEORGE H. GOODERHAM, President

A. W. EASTMURE, Managing Director

Fire Insurance and Allied Lines AGENCY INQUIRIES INVITED

NATIONAL RETAILERS MUTUAL INSURANCE COMPANY

Vance G. Smith, Chief Agent



Concourse Building, Toronto

Britain's Envoy to Turkey

BY E. E. P. TISDALL

DEBOAIR, precise, medium-sized in build, with a round humorous face, Sir Hughe Montgomery Knatchbull-Hugessen, Britain's Ambassador to Turkey holds the most important British diplomatic post in the world today. On his skill and judgment the most vital decisions affecting Britain's fate may well depend. It is doubtful, indeed, whether we could have a more brilliant senior representative in the Balkans and the Near East.

The pronunciation of Sir Hughe's name puzzles most people. Some call it Natchell-Hewson. This is wrong. Knatchbull is pronounced Natchable. In Hugessen the first syllable is stressed, the G is hard.

Comparatively young Sir Hughe is only 54 the Ambassador to Turkey is regarded as possibly the most brilliant man in our Diplomatic Service. He has all the right attributes for his present position. A cousin of Lord Brabourne and belonging to one of England's most historic families, he was educated at Eton and Balliol. In 1908 he joined the Foreign Office and duly served his apprenticeship in the diplomatic world. At the Peace Conference in Paris in 1919 he was a member of the British Delegation where he impressed those with whom he came in contact with his capability. After Paris there came a series of foreign posts at The Hague, Paris and Brussels. In 1930 Sir Hughe was appointed Minister to the Baltic States where he was a great success. Not only did he give good parties, but he took the trouble to learn all the necessary languages of the States he was accredited to Estonia, Latvia and Lithuania.

To His Friends

Known as "Snatch" by his friends, Sir Hughe is regarded as the high-brow of the Foreign Office. A great lover of music, one of his greatest deprivations in the distant posts he has been appointed to, has been an absence from the musical life of London. Invariably on his brief visits to London he is to be found on all his free nights at concerts at the Queen's Hall.

A good mixer the Ambassador is popular in the Service which delights in passing from mouth to mouth the satirical verses of which he is the prolific author. Audacity and a racy topicality are the keynotes of his versifying qualities, a fact which renders them hardly suitable for publication in book form. He is also

Sir Hughe Montgomery Knatchbull-Hugessen, known to his friends as "Snatch," is one of Britain's most brilliant and best-trained diplomats.

And he needs all his experience and training for the position he holds, for today he is British Ambassador to Turkey, a post which the author dubs "the most important diplomatic post in the world today." Meet the Ambassador.

a keen shot; his other recreations include gardening and skiing.

From the Baltic States Sir Hughe was transferred from Riga to the distant post at Teheran in Iran. Once again he took the trouble to learn the language, and soaked himself in the problem and history of the country to which he was accredited.

In 1936 there came another transfer when, over the heads of 20 others, he was appointed British Ambassador to China. His linguistic abilities were once more called into action and not only he but his wife and two daughters learned to master the difficult Chinese tongue.

Shot At Twice

It was during his stay in China that he was twice shot at. On the first occasion he was out riding with his daughter and his third-secretary, Mr. Gerry Young, when a coolie in a rice field fired an ancient shotgun at them. Sir Hughe himself escaped injury but his daughter was badly wounded. Mr. Gerry Young played the part of the gallant knight and was successful in extracting the shot from Miss Knatchbull-Hugessen by means of his watch-key. Two years later the lady married her knight.

On the next occasion the attack on the Ambassador was of a more serious nature and provoked a serious diplomatic incident between Britain and Japan. Sir Hughe was on his way from Nanking, the Chinese capital, to Shanghai for a conference. He was travelling by road in a motor-car which had painted on it the Union Jack. Despite this Japanese airmen descended to within 200 feet of the car and machine-gunned and bombed those in it. Sir Hughe was seriously wounded in the spine. There was great commotion at the time, the Japanese Government, as is their way, denying that it was a Japanese plane which had caused the deed. Fortunately Sir Hughe's strong constitution pulled him through after a long illness during which he received blood transfusions from an American marine our only Ambassador who has American blood in his veins! Following this accident Sir Hughe received the unique grant by the British Parliament of the sum of £5,000 on account of the injuries to his health which resulted.

The Foreign Office

After a period of convalescence Sir Hughe spent some months at the Foreign Office where he was in charge of a special department of International Trade where problems that might arise in the event of sudden warfare were investigated. His work there has been carried into practice.

Then there came his present appointment when he was sent to Turkey to succeed the very popular and highly efficient Ambassador, Sir Percy Loraine. Once more Sir Hughe's linguistic abilities were called into play and he learnt to speak Turkish thoroughly. It need hardly be emphasized how important this gift of tongues has been to his country.

In Turkey he has done excellent

work. On the careful spade-work of Sir Percy Loraine the present Ambassador carried through that masterpiece of diplomacy which made this nation of 19,000,000 souls, a British ally in the Near East. Like Sir Percy he has been a most welcomed representative and has, on several occasions, shown remarkable tact.

Meisterschaft College

Established 1889

R. G. McCONOCHIE, Principal

Meisterschaft — "Master System" . . . Individual instruction. For pupils anxious to graduate by next June there are a limited number of enrolments available in the Matriculation and Business Administration Courses. Day and Evening Courses. For information apply Secretary.

SCHOOL REOPENS MONDAY, JANUARY 6TH
2 ST. CLAIR AVE. EAST - - - TORONTO, ONTARIO

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors beg to present herewith the Thirteenth Annual Statement of the affairs and financial position of your Company as at November 30, 1940.

Net earnings amounted to \$1,332,220.35 after providing for depreciation and setting up a provisional amount for Dominion and Provincial Income Taxes and for Excess Profits Tax. This compares with \$1,475,647.75 net earnings for the previous year, a decrease of \$143,427.40. It should be pointed out, however, that due to increased production \$1,500,000.00 was written off for depreciation against \$1,250,000.00 last year.

The reserve set up for Income and Profits Taxes of \$1,780,000.00 compares with \$395,000.00 which the Company provided last year for similar taxes. This reserve is provisional and it is hoped that when final adjustments are made with the various taxing authorities the result may prove more favourable from a "net earnings" standpoint.

Last year's statement, you will recall, showed \$3,000,000.00 short term bonds outstanding, \$1,030,000.00 of which were then held in the Treasury as an investment. These short term bonds have all been called and redeemed, leaving only the long term bonds amounting to \$10,500,000.00 outstanding, due in 1951, on which the Sinking Fund does not commence until 1945. This operation, while resulting in a reduction in the amount of current assets over current liabilities, was deemed by your Directors to be in the best interests of the Shareholders.

There was a considerable increase in demand for cement during the year just closed due in part to wartime activities. This was particularly noticeable during the Fall months of the year.

During the year your Directors authorized the modernization of your Exshaw, Alberta, plant. This work will be proceeded with as and when it can be done without interfering with war activities. The other operating plants of your Company have all been well maintained and are in good condition.

Owing to the war situation it is not possible to predict with any degree of certainty what volume of business may be available for your Company in 1941, but barring unforeseen events a fair degree of activity in the building trade is in prospect.

Respectfully submitted on behalf of the Board of Directors,

J. D. JOHNSON, President.

CONSOLIDATED BALANCE SHEET—NOVEMBER 30, 1940

ASSETS

CURRENT ASSETS:	
Inventories of Cement, Materials and Supplies as determined and certified by the Management and valued at or below cost, which is below market	\$ 1,199,604.10
Accounts Receivable (less Bad Debts Reserve)	
Customers' Accounts	\$1,169,330.27
Other Accounts	32,190.44
Government Bonds (Market Value \$679,868.75)	
Cash	1,201,520.71
	652,345.75
	1,916,488.39
	\$ 4,969,958.95
INVESTMENT IN COMPANY'S OWN BONDS, AT PAR	93,500.00
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES	129,598.76
BOND REFUNDING EXPENSE (less amounts written off)	1,210,000.00

PROPERTY ACCOUNT:

Land, Buildings, Plant and Equipment, etc. (as appraised by Messrs. Ford, Bacon & Davis Inc. on the basis of commercial value at September 30, 1927, \$38,267,500.00) and the Canada Cement Building at cost, with subsequent net additions at cost; less Depreciation Reserves of \$18,059,702.81

37,937,855.90

\$44,340,913.61

LIABILITIES

CURRENT LIABILITIES:	
Accounts Payable	\$ 572,489.45
Bond Interest Accrued	37,188.00
Preference Dividend declared, payable December 20, 1940	251,086.25
Provision for Dominion, Provincial and Other Taxes (after prepayment of \$500,000.00 to the Dominion Government)	1,373,855.51
	\$ 2,234,619.21

FIRST MORTGAGE BONDS:

Authorized \$20,000,000.00

Issued Series "A" \$16,500,000.00

10,500,000.00

Outstanding 4 1/4% Sinking Fund Bonds due 1951

595,000.00

MORTGAGE ON CANADA CEMENT BUILDING:

Repayable in semi-annual instalments and balance due in 1948

595,000.00

RESERVES:

Fire Insurance \$ 750,000.00

Extraordinary Repairs and Renewals 350,000.00

Industrial Accidents 57,600.00

Contingent Reserve 400,000.00

1,557,600.00

55,900.00

PREFERENCE SHARES REDEMPTION RESERVE

PREFERENCE SHARES—6 1/4% SINKING FUND CUMULATIVE SHARES OF \$100.00 EACH REDEEMABLE ON SIXTY DAYS' NOTICE

Authorized (of which \$21,000,000.00 has been issued) \$25,000,000.00

20,086,900.00

Outstanding

NOTE: Dividends are in arrears \$34.25 per share.

COMMON SHARES:

600,000 Shares of No Par Value out of an authorized issue of 750,000 Shares

6,403,904.75

EARNED SURPLUS:

Profit and Loss Account for the year ending Nov. 30, 1940

Fees \$10,720.00 and Legal Expenses \$690.28

\$5,224,220.96

Income from Investments 28,787.68

\$ 5,253,008.64

Deduct: Bond Interest (net) \$ 505,488.29

25,300.00

Mortgage Interest 1,500,000.00

110,000.00

Provision for Depreciation 1,780,000.00

3,920,788.29

Earned Surplus, November 30, 1939 8,133,220.35

2,579,114.30

DEDUCT: Dividends on Preference Shares \$ 3,911,334.65

1,004,345.00

2,906,989.65

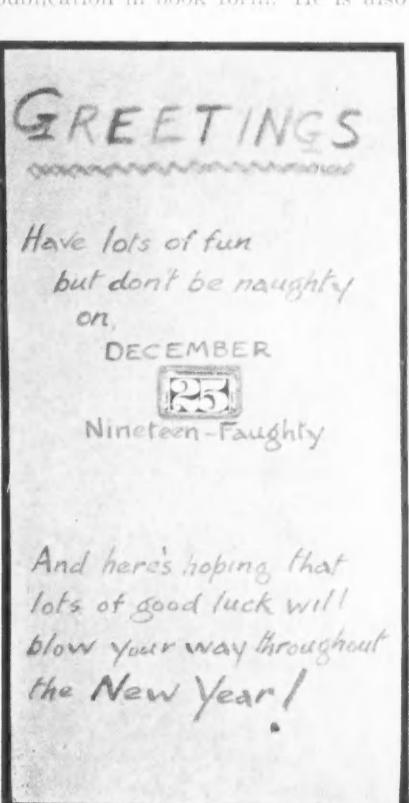
\$44,340,913.61

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of Canada Cement Company Limited and its Subsidiary Companies for the year ending Nov. 30, 1940, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of Canada Cement Company Limited and its Subsidiary Companies at November 30, 1940, and that the Profit and Loss Account correctly sets forth the result of their combined operations, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

Approved on behalf of the Board
J. D. JOHNSON, Director
F. B. KILBOURN, Director

PRICE, WATERHOUSE & CO., Auditors,
Montreal, December 20, 1940



One of the best Christmas cards that The Passing Show received was that of Mr. George M. Smith of Port Credit, Ont. The "25" of the date is the middle of a War Savings stamp showing through a small "window".